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Author:
Australia. Tariff Board.

Title:
Report of evidence at Tariff Board inquiries...

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Date:
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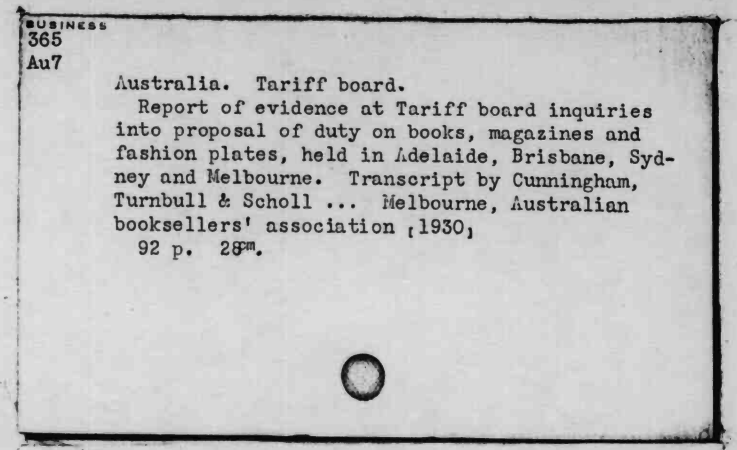
BUSINESS
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Australia. Tariff board.
Report of evidence at Tariff board inquiries into proposal of duty on books, magazines and fashion plates, held in Adelaide, Brisbane, Sydney and Melbourne. Transcript by Cunningham, Turnbull & Scholl ... Melbourne, Australian booksellers' association [1930]
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Australia. Tariff Board.
Report of Evidence ...
Proposal of Duty on
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REPORT OF EVIDENCE

at

TARIFF BOARD INQUIRIES

into

Proposal of Duty

on

Books, Magazines and Fashion Plates

held in

ADELAIDE, BRISBANE

SYDNEY and MELBOURNE

Transcript by

CUNNINGHAM, TURNBULL & SCHOLL

No. 3 St. James' Buildings, 119 William Street, Melbourne

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6s. Net.

Printed by Wilke and Co. Pty. Ltd., 241-245 William Street, Melbourne

Business
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4-16-34

REPORT OF EVIDENCE
at
TARIFF BOARD INQUIRIES
into

Proposal of Duty
on
Books, Magazines and Fashion Plates

UNIVERSITY

held in
ADELAIDE, BRISBANE
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Transcript by
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Published by the Australian Booksellers' Association, 245 William St., Melbourne.

ADELAIDE

The Board met at Parliament House, North Terrace, Adelaide, South Australia, on Thursday, March 20, 1930, at 10 a.m.

Present.—Mr. H. E. Guy (Chairman), and Mr. W. S. Kelly.

The Chairman.—The Board will proceed with an inquiry into a request for increased duties on fashion plates and books, books n.e.i., and printed matter n.e.i. The applicants are the Combined Printing and Allied Trades' Tariff Committee, 375 Kent street, Sydney, New South Wales.

Present Items and Duties.

	B.P.T.	I.T.	G.T.
Item 335—			
Fashion plates and books, ad. val. ..	Free	5 per cent.	10 per cent.
Item 339—			
Books, n.e.i. and printed matter n.e.i.	Free	Free	Free

Requests.—The requests in regard to items 335 and 339 are as follow:—

(1) That goods admitted under Tariff Item 335, including the weight or value of immediate containers, should be dutiable on each printed colour at the rate of:—

Brit. Pref. Tariff .. 1/ per lb. or 45 p.c. ad val.
Intermediate Tariff 1/3 per lb. or 50 p.c. ad val.
General Tariff ... 1/6 per lb. or 55 p.c. ad val.
whichever rate returns the higher duty.

(2) That Tariff Item 339, books n.e.i. and printed matter n.e.i., should include books, periodicals, music and newspapers, and be dutiable as under:

Brit. Pref. Tariff .. .. .. 45 p.c. or 1/ per doz.
Intermediate Tariff .. .. 50 p.c. or 1/3 per doz.
General Tariff .. .. .. 55 p.c. or 1/6 per doz.
for each 3/ per doz. or part thereof on the standard retail sale price in Australia or country of origin, whichever rate returns the higher duty.

Is there anyone present who desires to give evidence in favour of the application? (No response.) We are sorry that the applicants are not here to state their case, so that you would have an opportunity of combating, but I will state briefly what their case is, as I think it is only fair that you gentlemen should know what they are claiming. I will just give you a few extracts. What I am giving you is the original application, but we have been informed that it is likely to be revised, but what it will be finally we will know when we arrive in Sydney, I understand, when we open the inquiry there. The original application suggested that duties shall be assessed under tariff items 335 and 339 on the cost of producing an equivalent quantity of identically similar matter in the country of origin. That "remainders" and "back date" books and periodicals, music, newspapers and other publications sold for export at less than the original price by the publishers shall be dutiable at double the ordinary rates.

That educational and other books or publications may be admitted free under departmental by-laws, where the Minister is satisfied, after report from the Industry Committee, that such books cannot be efficiently and economically printed in Australia. It is quite a big claim, and I am giving you extracts. The claim also stated that the value of buildings was £9,310,538, machinery and plant £8,187,155, in 155[illegible] factories in the printing industry of Australia for the year 1927-28, or £17,497,693. The value of the raw materials £8,139,535, and the employees, 34,008; the wages paid, £7,136,666; or an average wage

Thomas Henry Tidswell

of £250. The total output represented £20,810,370, being the fifth largest industry in Australia.

In regard to the imports for 1927-28 the imports of paper, printing, stationery and books, periodicals, etc., approximated £8,000,000, of which it is estimated £3,000,000 was for commercial printing and £1,300,000 for books, periodicals, etc. It is estimated that, with proper tariff protection, increased local production approximating £5,000,000 worth of books, periodicals, advertising matter and commercial, etc., would be manufactured in Australia, increasing direct employment by 11,000 employees, besides thousands of wage-earners indirectly, and adding £2,250,000 or more to Australia's wages fund. The term "direct employment" would cover the employment of linotypers, compositors, letter press machinists, bookbinders, process engravers, stereotypers, and the like skilled artisans, while indirect labour would include artists, writers, wharf labourers, packers, carters, etc. The present customs revenue from printed matter is very small. They claim, if a new method is adopted with commercial printing, as suggested, and a similar duty placed upon books and periodicals, excepting educational and classical work, we can be expected to produce a very large revenue indeed, £2,000,000 to £2,500,000 being an easy possibility, and this without, as a general rule, increasing the price to the Australian consumer, since a great deal of the periodicals and books are sold on standard prices. The applicants are anxious for an opportunity of submitting samples of local production and imported articles, such as are referred to in their statement; they state that the evidence and facts are overwhelmingly in favour of Australia being enabled to do this class of work; and thus provide employment for at least 10,000 additional craftsmen, to say nothing of the impetus reflected in other branches of Australian trade. I think that is a fair statement of their case, just to give you some idea of what their claims are. Is there anyone present desirous of giving evidence in opposition to the application?

THOMAS HENRY TIDSWELL.
Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As President of the Authorised Newsagents' Association of South Australia, Norwich Union Buildings, Waymouth street, Adelaide, South Australia.

Question.—Who are the members of that organisation?—The whole of the distributing agents of the metropolitan area, and many of the country centres.

Q.—Did they authorise you to appear on their behalf?—Yes, I have prepared a statement, which is as follows:—

The Association of which I am President comprises 93 members controlling 400 sub-agencies throughout South Australia, of which many employ one or more assistants.

The members of my Association are considerably alarmed at the thought that a duty may be placed upon overseas periodicals, magazines, etc. This is what can be classed as bread and butter lines of the general newsagency business.

As overseas publications are important selling lines to the shopkeeper newsagent, of which there are many who are practically dependent upon these and allied lines for their livelihood, we fear that if the duty was placed upon these lines it would make them prohibitive to the wage-earners and their children, who are the principal purchasers at the present time, with the serious depression we are passing through.

We also feel that the Commission would not be fulfilling its obligations to the community by imposing hardships upon the newsagent, by placing a duty upon lines that cannot for some considerable time to come be printed in Australia at a price acceptable to the public, or on a par with overseas lines.

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ADELAIDE—Thomas Henry Tidswell

This is brought about by lack of population and cost of local production and installation of plant that would be able to cope with this class of massed production.

We fear further that if a duty is placed upon these lines it naturally means increased cost to the purchaser, and in consequence would mean loss of trade and eventually closing down and further adding to the unemployed market, vacant shops and loss upon invested capital to the landlord, shopkeeper and wholesale agent.

The newsagency business is now only profitable through the great variety of lines which they have to offer at reasonable prices, and the contents of which appeal to readers from a child of five years upwards.

From my own experience as controller of a chain of newsagencies in the northern districts, I am convinced that if increased prices have to be placed upon the imported lines, that sales must be restricted, which in turn would be followed by the closing down of some of the shops under my control.

Q.—Have you any knowledge of the increased cost of the Australian production in comparison with the imported; that is, a book printed in Australia, in comparison with any of the other countries?—Do you mean a periodical?

Q.—Yes, if you have any evidence in regard to a periodical?—I have no knowledge of the cost, but I have a fair idea of the mass production that would be necessary to be able to cater for the public at the price suitable to them.

Q.—Do you not consider that our Australian periodicals are up to those of the imported?—I would not say individually, but we have a variety of over 200 periodicals coming into the State weekly. With our population I do claim that it would be almost impossible to produce anything that would be reasonable to the newsagent to give h m that variety of selling that makes up his trade.

Q.—What is the position in regard to secondhand books? Do you import secondhand books at all?—No, very few. Some of the newsagents do deal in secondhand books, but I do not think by importing; they are dealers.

Q.—There is a pretty big importation of secondhand books, is there not?—Not to my knowledge.

Q.—And periodicals?—Not secondhand.

Q.—It has been claimed that secondhand books are exported to Australia, and they are principally picked up from the janitors of the different hotels and sent to Australia at a very cheap rate. Have you any knowledge of that?—No.

Q.—What about back-number periodicals?—Those are in the minority also.

Q.—But they are imported, the back numbers at a lower rate?—Not to my knowledge.

Q.—How do you deal with your back numbers?—When they accumulate, which at times they do, according to seasonal conditions, they are parcelled and sold at a lower rate, the seller endeavouring to relieve his stock in that way.

Q.—Have you no information in regard to books which have been published overseas, and the same book published here in Australia?—What would you class as a book?

Q.—It may be a novel or it may be a life work?—I would prefer to leave that to the booksellers, who, I believe, are here.

Q.—You have no knowledge yourself; no comparison of prices?—No.

Q.—What do you consider about their claim in regard to the increased employment if this increased duty were given. Do you think it is likely in Australia?—Not with the periodicals on which I am giving evidence in particular. I do not think that for very many years to come we could produce anything that would cater for the public in the same manner as what the overseas production does to-day.

By Mr. Kelly.—You hold, with the limitation of supply it would limit the demand; that is to say, if you did not have the variety you would not have the output?—That

ADELAIDE—Frederick Edward Meleng

is so. You would not have that trade in your shop if you did not have the variety.

Q.—In other words, you cannot standardise reading?—No, you cannot; that is clear.

By the Chairman.—In regard to the prices of the periodicals, would you state the prices, could you give us the landed cost of them and the selling prices to the public?—Do you mean the wholesale prices to us as agents, and the retail prices?

Q.—Yes, of your best selling lines?—We would take the "cheaps," what we term the "cheaps." There are about 140 that are wholesale to us at 1½d. or 1/6 per dozen, which we retail at 2d. per copy. There is another dozen that is wholesale to us at 1/9, for which we get 2½d. each. Then there is another half-dozen which is wholesale to us at 2/3, for which we get 3d. a copy. Then there is another half-dozen, which is wholesale to us at 3/ per dozen, for which we get 4d. a copy; those are what we term the "perios."

By Mr. Kelly.—From whom do you purchase?—Mostly from Gordon and Gotch, who are the distributing agents for the Amalgamated Press and other leading publishing houses.

Q.—They are sold wholesale at 4/ a dozen?—No, they are retailed to the public. The second price I gave you was the retail price to the public; they cost us 3/, and they are retailed to the public at 4/. Then there are many other lines, such as magazines.

By the Chairman.—What about magazines?—The wholesale prices are 7d., selling at 9d.; 9d. selling at 1/; and 1/ selling at 1/4. Those are the principal prices of the magazines. Then there are the American magazines.

Q.—I think that will be sufficient for the present.—Further than that, we have what we term high-class or literary magazines, such as the "Sphere" and other allied publications. They are wholesale to us at 1/2 and sold at 1/6.

By Mr. Kelly.—What do you do with the remainder; have you got the right to return?—No, none of those lines are on sale and return. When I say none of them, sometimes at various periods the wholesale houses do give the firms the right over a certain period of making these publications on sale or return.

By the Chairman.—What happens then in regard to those which you have not sold, say, within a month or six weeks. Do you sell those at a reduced rate?—Do you mean those where we get the privilege of return?

Q.—No, you take advantage of that, I suppose?—Yes. Those that are not sold, if we cannot sell them, that is our loss.

Q.—You put them by for Christmas, I suppose?—Very often, but very often the benevolent institutions get a present of them.

Q.—Do you not usually sell them at Christmas time?—We try to do our best.

Q.—Is there a very big percentage of back dates?—No, not a great percentage. A man has to be very cautious in the handling of his business, and probably a shrewd business man lets the wholesaler carry the baby.

By Mr. Kelly.—That is what he is there for?—Very often. He certainly tries to cater for his trade adequately, but he allows the wholesaler to carry the bulk.

FREDERICK EDWARD MELENG.
Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As Secretary of the Institutes' Association of South Australia Incorporated, also Secretary of the Australian Library Association, the Public Library Buildings, North Terrace, Adelaide. I have prepared a statement, which is as follows:—

As Secretary of the Institutes' Association of South Australia Incorporated, and also as Secretary to the Australian Library Association, and on behalf of nearly 27,000 subscribers to the libraries of the various suburban and country institutes in this State, I have been

instructed by the Council of the Institutes' Association to enter an emphatic protest against the proposed duty on books.

There are two distinct phases of library activity—one, representative of such institutions as the Public Library and the University, which cater for the student, more particularly in the metropolitan area, and the other known as the institute, which stands for the social and intellectual advancement of the people in the country.

While it may be shown that a duty on books and periodicals would be disastrous so far as the institutions of a more academical character are concerned, I propose to demonstrate to the satisfaction of the Tariff Board that it would be unwise to tax the institutes. The following reasons are, therefore, respectfully advanced why institutes should not be penalised in the direction indicated—

(1) Suburban and country institutes were established in this State for the purpose of making the conditions of life in the country more acceptable, and thereby adding to the material well-being of the people and the prosperity of the State. What applies to South Australia in this respect has an equal bearing in the other States.

(2) The Government, recognising the value of the institute system as an aid to popular education, subsidised the amount expended on the erection of institute buildings to the extent of £124,778, and is still subsidising members' subscriptions. The institute movement takes the form of a great popular educator, and to retard the growth of an institution of this character would be a tragic mistake. The policy of the Governments, Federal and State, is in the direction of increased production, and the textbooks that are being sent out to farmers and others interested in production from the reference library of the Institutes' Association, on subjects likely to help in this direction, are indicated as follows:—"Wheat Growing," "Fertilisers and Crops," "Dairying in Australasia," "Management and Diseases of Sheep," "Structure of Wool Fibre," "Profitable Stock Raising," "Home Doctoring of Animals," "Encyclopaedia of the Stable," "Oil Finding," "Making the Farm Pay," "Feeding and Management of Dairy Cattle," "Pig Keeping on Money-making Lines," "Fruitgrower's Handbook," and hundreds of other books dealing with by-products, etc. It is patent, therefore, that the institutes are performing a valuable educational work and assisting in the objective of the Federal Government. As books of the character mentioned, and thousands of similar publications, are purchased from the book-trade, the booksellers, in the event of the tax being imposed, would simply pass on the duty, and the usefulness of the institutes, which have a precarious existence, would be restricted by the infliction of a direct tax on knowledge. The proposal, to my mind, is unthinkable, and is bitterly resented by tens of thousands of institute managers throughout the Commonwealth.

(3) The management of institutes is conducted in an honorary capacity by ladies and gentlemen desirous of bridging the gulf between the schools and the machinery for promoting education in adult years, and at the same time conferring on the rural population some of the social and intellectual advantages enjoyed by the people in the metropolitan area—a most laudable ambition and deserving of commendation. A recent innovation, promoted by the Council of the Institutes' Association, which guides the destiny of our institutes, is the formation of a travelling juvenile library, believed to be the first in the Commonwealth. This library deposits books suitable for children at the various institutes, and school children avail themselves of the privilege. As showing the value of the movement, it is authoritatively stated that many school inspectors, when sending in their official reports to the Education Department, refer in eulogistic terms to the value of the Institutes' Juvenile Library as an aid to education. It will be remembered that the Carnegie millions have been attributed to the fact that Andrew Carnegie, as a boy, was given access to a gentleman's library, and derived so much benefit therefrom that when he became wealthy he created Carnegie Free Libraries throughout the world. The use of these libraries has probably conferred untold benefit upon millions of people. Instead of placing our institutes and libraries at a disadvantage by the imposition of a duty, a premium should be paid to them in order to further enhance their usefulness.

(4) In addition to its many other operations, the Council of the Association conducts educational classes at many of the country institutes. Tuition is given in electrical technology, shorthand and typewriting, accountancy, mathematics, mechanical drawing, and many other commercial and technical subjects. For the efficient conduct of these classes, technical and trade books are frequently in request, and a duty, if imposed, would limit the usefulness of these educational agencies.

While it has been suggested that educational books might be admitted free, and that the tax is designed against the introduction of fiction, in order to assist local publishers, I venture to think that this also would be a mistake. There should be no restriction whatever in making available to people the thoughts of the world's brainiest men and women. The novel represents an important part of the intellectual life of the period, and may be said to have taken the place of the drama. The great writers of fiction to-day stand out, as they always did, like the great dramatists, by reason of their knowledge of human nature and their skill in portraying its passions and weaknesses. The leading novelists will always command the larger public of the old world, and it is questionable whether it will ever be practicable to publish in Australia on profitable lines.

In regard to what might be termed fiction of a less intellectual character, such as mystery stories by Edgar Wallace, and light magazines, which would attract the attention of publishers and be selected for publication on account of the sales which they command, it is suggested that, even with these publications, it is problematical whether the business would be worth pursuing. To place a duty on this class of fiction at the expense of the better kind of book in order to employ a number of additional printers would be an iniquitous proceeding.

The latest annual statistical information available, relating to the South Australian Institutes, will enable the Tariff Board to realise the amount of energy and enthusiasm expended in arriving at the present position, and also to form an opinion of the beneficial influence which the movement must exercise in moulding the character of our young people, and shaping the destiny of the nation:—

Number of suburban and country institutes ..	300
Number of volumes in libraries	618,399
Number of issues	1,679,078
Number of subscribers	26,463
Annual income (excluding Government grant)	£54,124/8/5
Amount of Government grant, excluding Adelaide Circulating Library, £250	£9,738/18/11
Cost of buildings	£408,100
Value of library contents	£146,269
Amount spent on books	£11,150/6/6

A great many of the smaller distributors of books in Australia who depend largely on the sale of novels are working on a very small margin between profit and loss. Many of them would go out of business, and their trade would go to the larger booksellers. There would be fewer people employed in the bookselling trade, and the public, over such an immense country as Australia, would be poorly served by bookshops.

Australia is far removed from the older centres of civilisation and the United States. We are a new country, working out new problems, endeavouring to build up secondary industries, and make our primary industries more efficient. Already books are dearer here than they are in Europe and America, and the cost of distribution is greater. We realise the necessity for building up a student population. All efforts in this direction would be seriously affected by a tariff on books. The suggestion that America has such a tariff is no criterion. America is, of course, a highly protected country, as we are rapidly becoming, but America has an enormous home market. Her printers and publishers cater for approximately 120 million people. It is problematical whether a tax on books will improve the position of the Australian publisher. It is certain that by restricting the importation of the best thoughts of the great thinkers and writers of the world, it will starve the intellectual life of the people and thereby retard the development of a great Australian literature.

It is confidently hoped that the library movement, which is now assuming a Federal aspect, as evidenced by the recently formed Australian Library Association, will not have its operations restricted by the imposition of a tax on books. Library activity in the true educational interest of the people represents a very important phase of public life to-day, and should receive every possible encouragement.

The majority of the people of Australia are interested in our libraries, and our organisation is capable of exercising a tremendous influence for good; therefore we confidently leave the issue in the hands of the Tariff Board. We believe that the more closely the position is examined, the more manifest it will become to the Commission that a duty on books would not be in the best interest of Australia.

A reading people becomes a thinking people, and a thinking people a great people, therefore Australians, to be free and great, should be encouraged in the art of reading and thinking. Only in this way can Australia develop a literature of its own.

Q.—On page 3 of your statement you say that the cost of books would be greatly increased, and already books are dearer here than they are in Europe and America, and the cost of distribution is greater?—Yes.

Q.—The applicants, in submitting their case, referred to examples of different works, which were cheaper in Australia than they were in England, and also in regard to American publications, what they state here is "The Life and Work of Henry Ford," which is quoted as an example, was cheaper in Australia than overseas. They quote that as an example of how locally-made books are sold cheaper than those made overseas. This work was sold in America at a price equal to 14/7, while the Australian edition equalled in every respect that in U.S.A. was sold for 7/6?—It has been suggested that the publication of that particular work was subsidised. I am not sure of that.

Q.—You consider it was subsidised?—I do not say so definitely, but I saw that statement in the press, or a statement to that effect.

Q.—Do you consider that the Australian edition equalled in every respect that of the American?—I do not, not in my judgment.

Q.—Do you think the difference was justified, 14/7 to 7/6?—No, I do not. I have heard a lot about that book.

Q.—Here is another instance, "The Life and Letters of Walter Page." That was sold for a guinea in America and it can be bought here for 16/?—The same edition.

Q.—It is claimed so?—It may have been sold as a remainder.

Q.—In regard to that work, the "Life of Henry Ford," can you tell me if that was printed in Australia?—One edition, I understand, was printed in Australia.

Q.—That is what, I take it, is the edition they are referring to, and then the "Life and Letters of Walter Page,"

I understand by their claim it was printed in Australia and sold at 16/?—I could not say definitely whether it was published in Australia, but a second edition came out at 16/, whilst the original edition was published at a higher cost.

Q.—The next example they give is "War Birds: the Diary of an Aviator." They say the cost was 14/7 in America and an Australian edition was priced at 7/6—I am rather surprised to learn that; I was not aware of that fact.

Q.—There are a number of other witnesses, and perhaps it would be just as well that I should give them these examples as they may wish to combat them. We would be pleased if they will do so?—I venture to think that the booksellers, perhaps, handling these books would be in a better position than I am to answer these questions.

Q.—I am taking this opportunity of giving them this information. They say there are other comparisons. For instance, "Head Hunters of the Amazon," first edition in England 16/, here 6/. I take it that is for an Australian edition. Then the next example is, "Difficulties," by Seymour Hicks, 10/6 in England, 4/6 here. Again, "Why I am a Christian," by Dr. Frank Crane, 8/4 in U.S.A., 4/6 here. "Beasts, Men and Gods," by Ossendowski, 12/6 in U.S.A., 6/ here. "Corner Stones of Auction Bridge," 10/5 in U.S.A., 7/6 here. "Chinese Bandits," 12/6 in U.S.A., 6/ here. "The Revolt of Asia," by Upon Close, 10/5 in U.S.A. and 6/ here. Lindbergh's "We," in the States 10/5 and 7/6 in Australia?—Might I say that the object of my evidence is to help you to imagine the position in the country, inasmuch as in the event of the duty being imposed, difficulties would undoubtedly be encountered by many of the institute managers in carrying on.

Q.—In regard to educational and other books or publications, the suggestion is that those be admitted free under departmental by-law?—Yes, but that does not go far enough.

Q.—That is where the Minister is satisfied on the report of the Industry Committee that such books can be efficiently and economically printed in Australia. From what source does the institute obtain its publications and books?—Wherever we can get the better value. That is to say, if the funds permit, we buy locally, or we might buy overseas, go to Melbourne, Sydney, or anywhere else in order to conserve the taxpayers' money. We feel it our bounden duty with our Government grant to get the best possible price in the interests of the taxpayer.

Q.—A number of these books you have mentioned here would they not be classified as educational books and come in free?—Many of them would, but not books of the type of Edgar Wallace. The more important magazines, that is, the "Fortnightly Review" and the "Nineteenth Century," and so forth, are literary and political magazines, and, of course, are educational.

Q.—There is one point in regard to those educational books which you have to consider. The applicants say if the Minister is satisfied after report from the Industry Committee that such books cannot be economically and efficiently printed in Australia. That does not mean all educational books would be admitted free?—Not necessarily. I am inclined to think that the Australian publisher would naturally strain after the more sensational type of book and magazine in order to make his position good.

Q.—Therefore, you consider that those educational books would be admitted free?—Yes, I conclude that would be the case.

Q.—What would happen to the institutes if the cost was increased?—It would seriously embarrass their position financially. I might say, I have in mind at the present time my institute, where subscribers have paid their subscriptions for the current year with promissory notes. We are not a money-making concern, and our object is just as I have indicated in my statement, to bring about a little of the social and intellectual conditions for the folk in the country, and not to have them all for ourselves in the city. (Witness withdrew.)

HUBERT RUTHERFORD PURNELL.

Sworn and Examined.

By the Chairman.—What is the capacity in which you appear?—As a Fellow of the Library Association of the United Kingdom, Librarian of the Public Library of South Australia, Honorary Treasurer of the Australian Library Association of South Australia, and Honorary Secretary of the Library Association of South Australia. I have prepared a statement, which is as follows:—

Statement before the Tariff Board against a proposed duty on books, on behalf of the Australian Library Association, with which are associated the Library Association of South Australia, the Board of Governors of the Public Library, Museum and Art Gallery of South Australia, the South Australian Public Teachers' Union, the Railways Institute, and other kindred organisations.

1. Educational.—The Australian educational system has been built up on the broadest lines, so as to ensure the possibility of free education to all citizens of the Commonwealth, even up to University standard. It aims at the cultivation of an appreciation of books, and is dependent on a liberal supply from all parts of the world. The prices of books are already high, as compared with those in other countries, and a duty is bound to increase their cost and so still further to lessen their accessibility. Australians of all ages, and especially the workers, would suffer a severe cultural handicap as compared with the inhabitants of other countries.

2. Libraries.—It is the duty of libraries to promote culture through the wide dissemination of knowledge obtained from books from every quarter of the globe. Books are the raw materials of every kind of science and art, and of all social improvement. An increase in their cost would react disadvantageously on the libraries, through which so much is done for the continuance of education into adult years. In regard to the Public Library of South Australia, for some years, owing to the financial stringency, the Board of Governors has suffered from lack of funds to carry on the work of the institution adequately. An increase in the cost of books would further adversely affect the work of the library.

3. Periodicals.—The same considerations that apply to books are due in equal measure to periodicals, which record the latest researches in all branches of science, technology, literature, and the arts, knowledge of which is essential to the students, research workers, manufacturers, and producers of Australia to enable them to keep up-to-date with the progress of their various activities. The fact that they contain advertisements should not be taken into account, since it is by advertisement revenue that the cost is kept down, and, neither with nor without advertisements, can they be produced in Australia. A duty would provide no compensating protection to Australian printing and publishing industries, and would be a bar to progress.

4. Duty Non-protective.—Against the grave disadvantages of a duty there would be no corresponding benefit, since the vast majority of books cannot be manufactured in this country. Profitable production is dependent on a sufficiently extensive demand, which does not exist in Australia. In nearly all countries, protectionist or otherwise, books are exempted from tariff duty. The outstanding exception is the United States, in which, however, the enormous population, estimated to-day at over 118 millions, might warrant it. But in the United States the book industry has not flourished under the tariff. In 1913, according to details given in an address (for reference see foot of statement) made by Mr. E. H. Anderson, Director of the New York Public Library, the number of books published annually in the United States, with its then population of ninety millions, was only about 6 per cent. of the total production of the world. Germany, a strongly protectionist country, with no duty on books, was found to be the largest book producing country in the world. In proportion to population, in 1913 Switzerland was producing ten times as many books as the United States. Germany, France, Britain, Holland, Italy, Austria and Japan were each producing from three and one-half to five times as many. In summing up the case against the duty on books in America, Mr. Anderson said: "The tariff has signally failed to promote the publishing, the manufacture, or the sale of books."

By Mr. Kelly.—That is a long time ago. I wonder what those facts would be 17 years after?—Well, the figures have not been worked out so far as I know since that date, but I know that in 1928 the number of new books published in England was over 8000, and in U.S.A. just over 5000, so that the United States, with its vastly greater population, is still far behind Great Britain in the production of new books. In discussing the figures of publication the matter is complicated by the difference in the records. For instance, the figures in the United States include pamphlets, which are not contained in the record for the United Kingdom, so that it seems as if the United States' publications are well behind the United Kingdom. My statement continues:—

5. Decline of bookshops under a tariff.—During the thirty or forty years prior to the statement from which the estimate in paragraph 4 is taken, the number of book stores in the United States had notoriously declined. Good bookshops are of great educational value to the community. They supply the demand created by the educational system and by the libraries. The tariff has done nothing in the United States to save the bookshops, but by making books more costly has assisted in their decline, and has driven people to the reading of cheap newspapers. It will be disastrous to Australia if the educational system leads only to the scrappiness of outlook engendered by the overproduction of the newspaper form of reading, for which there is no need for tariff, because there can be no competition from outside.

6. Decline of bookshops in Australia.—Already since the war the increase in the cost of books has caused a decline in the bookselling trade. Three large general bookshops have closed down since 1920 in Adelaide alone. To increase the cost of books by imposing a tariff would be a further blow to the book trade, for which no compensation can be looked for in stimulus to the printing and publishing trades. Books which are already difficult to obtain, and cannot be produced in Australia, will be still more difficult. A duty on books is particularly unwise in a democracy, the very existence of which depends on the intelligence of its citizens.

In conclusion, I would like to advance what is, to my mind, the most cogent objection to a duty on books and periodicals: that is, the isolation of Australia from the rest of the world. It is only by constant interchange of ideas that Australians can keep in touch with what is being done in other centres of civilisation, which information can only be obtained from books and periodicals. This is of particular importance in regard to the literature of the Empire, which should be freely accessible. A duty on books is non-protective, and can only be regarded as a tax on knowledge.

Note.—The reference to an address on sheet 2 is "The Tax on Ideas," address by Mr. E. H. Anderson, Director of the New York Public Library, and President of the American Library Association, May 25, 1914, cited from "Library Journal," vol. 39, pp. 499-503.

Q.—On the first page of your evidence is the statement, "The prices of books are already high, as compared with those in other countries." Have you any knowledge in regard to the statements I made in respect of the prices of certain imported books, and the reduced prices of those published in Australia? Can you give us any information in regard to that?—I should only like to say that I cannot give you any specific information about the cost of production, but, in comparing the books that have been mentioned, the books produced in Australia cannot be regarded as equal to the imported. For example, the Henry Ford book produced in Australia cannot be regarded as the equal of the book published at a higher price elsewhere. The Australian book was produced in cheap form. I may say that a great many books can be produced cheaply. For example, a book like the "Origin of Species" can be produced in England and sold at a profit there at sixpence. Usually a book printed elsewhere could be printed in a cheap form, and sold at less than the price of the original edition, which has to bear the bulk of the payment to the author, and so on.

Q.—Would not the Australian edition of "The Life and Work of Henry Ford" be suitable for library purposes?—No. It is too small. In regard to that book, I am only speaking from memory, as I have not examined it. I only saw it on a bookstall, but it was the sort of book that I would avoid buying for the Public Library.

Q.—Is the binding and printing inferior to the imported?—I could not speak of the binding of that particular book, because I do not remember handling a copy. I only saw it on a stall.

Q.—You could not give us any information in regard to some of the other books mentioned?—I have a copy of the Australian edition of "War Birds" and the binding is in every way inferior to the binding of the original edition. In my opinion, the book cannot be brought into comparison.

Q.—Do you think a difference of 7/ is justified? The production of that book at 7/6 is going to encourage the reading of it?—I should look at is in a different way. It is a credit to Australia when, without a tariff on books, it can produce a book of that sort to sell at that price.

Q.—If they can do that without a tariff what will they do with a tariff that will mean greater production?—The tariff in that case will only serve to increase the general cost of books. It is impossible to argue from the particular to the general in this case, because one or two books have been produced in Australia. We do not even know that they were produced at a profit.

Q.—Quite a number of books have been mentioned, and if there is greater production surely that will bring down costs. If costs are reduced the manufacturers should bring down the selling prices?—Compared with Great Britain, for instance, I have information that every material used in the production of an Australian book is subject to a duty. Therefore, in Australia the general production of a book must cost more. I can only speak from a general point of view, not from expert knowledge.

Q.—In regard to periodicals, if they were printed in Australia, would we have the same opportunity of getting those special articles that are quite educational, and which we are getting out of imported periodicals at the present time?—No. In my opinion periodicals, speaking generally, cannot be produced in Australia. There are too many of them. There are 20,000 separate publications in the world list of scientific periodicals. In the union list of periodicals, that is periodicals in general, there are no fewer than 75,000 periodicals. These are printed throughout the world and are contained in the libraries of America. To my mind it is unthinkable that even a small percentage of periodicals can be produced in Australia.

Q.—You do not think it likely that we would get the information we are getting to-day from the "Scientific American," or the "Saturday Evening Post." You do not think we would get that information in Australia?—We would get a little of it, but very little.

Q.—You said, "The fact that they contain advertisements should not be taken into account." What is your reason for saying that? Do you think those advertisements are instructive, that they are educational?—No. My reason is that the cost of a periodical is reduced by the revenue received by advertisements.

Q.—That is the only reason why you would include advertising in those periodicals?—I think so, on the face of it.

Q.—You do not think there is anything to be gained from the advertisements?—Advertisements are certainly a stimulus to trade. They have their value.

Q.—They certainly give you an idea of the progress that is being made, and I certainly think that many of those advertisements are educational in form?—I agree.

By Mr. Kelly.—There is a suggested contradiction in one of your arguments. You proved very conclusively that a big market is necessary for the successful printing of books. Then you indicated that Switzerland had done excellently in that regard. That rather upends the other argument, does it not?—Switzerland is the neighbour of a great many countries.

Q.—I confess that I do not know the language in which Swiss books are printed. Would they be available to the neighbouring countries?—The languages of the country are French and German.

Q.—The books are printed in French or German and then sent to the French or German market?—A great many of them are sold in those markets.

Q.—In that sense Switzerland has a big market, inasmuch as they use the same languages as two neighbouring countries?—Yes.

Q.—Does that apply to Sweden, which prints a lot of its own books?—Sweden has a duty on books in Swedish only.

Q.—Obviously Sweden would not print in a language other than Swedish?—The object of the duty is to preserve to Swedish books the Swedish market. Otherwise Swedish authors would send their books away to places where they could get them printed more cheaply and import them in very large numbers. The case of Sweden is not similar to that of Australia.

Q.—In reference to the present cost of books, I suppose that books have risen in price more than almost any other commodity since the war?—It is difficult to answer that question. I cannot answer it.

Q.—In what way do you make your purchases for your libraries?—We buy mostly from the local booksellers and we have London agents also.

Q.—You compare the prices and buy in what you think is the best market?—Yes.

Q.—Do you consider that the Australian prices are justifiable as against the prices in the United Kingdom for comparable books?—I am not engaged in the business of bookselling.

Q.—But a man who is engaged in the business would be somewhat biassed in his point of view. I look to you as one who is disinterested?—If I were a business man I should not like to be a bookseller.

Q.—Most business men usually advise others not to engage in their particular trade?—I am not engaged in any trade, although I am associated with books, and I consider booksellers must have great difficulty in carrying on, especially in view of the present high prices of books.

Q.—In other words, you assert that the high prices of books in Australia are not due to profiteering in Australia?—Quite.

Q.—It is due to the price of the books at the source?—Yes.

By the Chairman.—You said, "Profitable production is dependent on a sufficiently extensive demand." In comparison to population, do you not think there is a great demand for books in Australia than in other parts of the world. Are the Australians not considered great readers?—Might I refer to what is now become a trite saying. The remark emanated from my colleague in New South Wales, who, in 1928, publicly said, "Only one Australian in four ever opens a book."

Q.—What is the position in other parts of the world?—His statement cannot be proved or disproved. It is the opinion of an Australian. I was not fortunate enough to be born in Australia, but I give the remark as the opinion of an Australian. It is very difficult to check the figures, but I did see a statement in the prospectus of a book that 50 per cent. of Americans are readers in a particular part of the United States.

Q.—Readers of books?—Of course the United States is an unfortunate case to quote, because the people there are great readers of periodicals and not great readers of books.

Q.—You said, "Three large general bookshops have closed down since 1920 in Adelaide alone." Were those

ADELAIDE—John Raymond Wilton

concerns taken over by bigger concerns?—No, they have actually disappeared.

Q.—Can you give the Board the names of those concerns?—E. S. Wigg and Son, the Harvey Bookshop, and Tyrell's Limited. I make the statement, "general booksellers," because Wigg and Son still sell books. However, I would not call them general booksellers.

Q.—Nobody bought those businesses; they have just disappeared?—That is so. I am sorry. I have been corrected. I understand that the stock of the Harvey Bookshop was bought by Cole's Book Arcade. You might say that the Harvey Bookshop has been absorbed by Coles.

(Witness withdrew.)

JOHN RAYMOND WILTON,
Affirmed and Examined.

By the Chairman.—In what capacity do you appear?—I am Professor of Mathematics at the University of Adelaide, and I am here because I am Chairman of the Library Committee. I believe the statement handed in to the Board is signed by the Registrar, but I am quite willing to sign it, as I wrote it. It was prepared by a Committee, but the actual drafting was in my hands.

Q.—There is no need to sign it. You can read it as your evidence?—The statement was prepared by a Committee of three Professors, and then was revised by another Committee of three Professors, although one Professor was a member of both Committees. I shall read the statement.

1. It is assumed that any scheme providing for duties on imported books, etc., would exempt the class of books and magazines received into University libraries. Such books and magazines could not, in any circumstances, be produced exclusively in Australia, and a tax upon them would mean great loss to the Universities, with no compensating economic gain to the Commonwealth. The position is substantially the same as regards all books required for organised education, i.e., in schools, colleges, and organisations for adult education.

Assuming that the immediate interest of the Universities and other educational organisations would in any such scheme be safeguarded, the Council would still urge upon the Minister the following objections against the proposed tax:—

(a) It is undesirable that any artificial restriction should be placed on the acquisition by Australians of the knowledge gained in other countries. (The word knowledge is here employed in a sense wide enough to include drama, poetry and fiction.) In a country as isolated as Australia, books are almost exclusively the vehicle of such knowledge, and to tax them would add to the already great difficulty which the average reading man experiences in becoming acquainted with thought in other parts of the world. The educated reading public of Australia is small, not only absolutely, but also relatively to population, and it is of the utmost importance for the cultural advance of Australia that the habit of reading good literature should become more general, and that the few who read widely and deeply should be in every way encouraged; to this end it is essential that the importation of books, magazines and newspapers should be unrestricted. All whose work is intellectual know from experience the frequent vexatious delay and loss which result from the inability to obtain in their own city, or even in Australia, a much needed book or magazine. An import duty on books, etc., would tend to increase the difficulty, because the number of books sold, and with it booksellers' profits, would certainly decrease, so that the booksellers would be compelled to carry smaller stocks than they do at present.

(b) It is more than doubtful whether a tax on imported books would to any significant extent stimulate the production of Australian literature, but, even if it should, it would still have to be recognised that, in the matter of literature, Australia is, and must long remain, overwhelmingly a debtor or beneficiary to other nations.

(c) It is doubtful whether, from the strictly economic point of view, such a tax would achieve anything. The population of Australia is so small compared with that of the great countries of the old world that, even were the impossible condition granted that a sufficiency of authors of high standing would be forthcoming, the Australian publisher would not have a market sufficient to warrant the publication of the great majority of books. In the case of books of the more serious kind, an English edition usually consists of from 750 to 1000 copies. In Australia, on a population basis, the sale for such a book would be limited to at most 100 copies, and it could be produced only at a cost that would be altogether prohibitive. The tax might result in the employment of a few additional men in the production of certain works of a popular character, but the cost to the community would be heavy—much greater than could be measured financially. Especially would it exercise a retarding influence on that free inflow of inspiring thoughts and recent acquisitions of knowledge which is so vitally essential to a progressive nation.

2. The Council views with even greater concern the proposal to tax prohibitively, or even to prohibit altogether, the importation of publishers' remainders and secondhand books. Members of the reading public are not usually wealthy, and they are often, to a large extent, dependent for their volumes of general literature on remainders and secondhand books; especially is this the case with literature of a serious character not directly in the line of a man's own work. To render such books much more expensive, or even unprocurable, would inflict great hardship upon just those whom it should be the aim of the Government to encourage, namely, the most intelligent members of the community, and this without any compensating gain of any kind to the Commonwealth as a whole. Moreover, many very valuable and important books are out of print, and to cut off the supply of secondhand copies of such books would place an intolerable restriction upon all intellectual work.

Q.—Provision is made in the application that educational and other books or publications may be admitted free under departmental by-laws?—We assumed that.

Q.—It goes farther, and states, "Where the Minister is satisfied, after a report from the Industry Committee, that such books cannot be efficiently and economically printed in Australia." With regard to the books to which you are referring, I take it there would be only a very small production necessary?—There is a very large demand for school books. I do not know what demand there is for ordinary school books, but several thousand candidates sit for the public examinations in Adelaide.

Q.—Could those books be printed economically and efficiently in Australia?—There is no one to write them, so far as I know. You could not get a non-Australian author to send his books here to be published. That type of book simply cannot be produced here.

Q.—We have quite a number of instances of books having been published in Australia. The cost of the books so published was less than that of the English publications?—Yes, but were the books of equal quality.

Q.—Evidence has been given regarding the inferior quality of the Australian books compared with the imported books, but the fact remains that books are being printed here efficiently and economically?—Some admirable books have been printed in Australia. One does not wish to discourage that; one wishes to encourage it; but I, for instance, could not recommend for public examinations a book simply because it was published here. I would recommend a book because it satisfied certain conditions. I am concerned with the matter of a book, not with its get-up.

Q.—When would you make up your mind regarding a textbook? Would there be sufficient time for local printers to make arrangements to print that book in Australia?—Probably not for the next year.

Q.—They would not have the knowledge that a certain book was required, would they?—In certain cases, yes, but as a rule, no. Of course, many books set for public examinations are simply continued from year to year. In some subjects they are changed every year.

Q.—If you were changing a textbook, what notice could be given?—We give a notice of three months at least. Our Public Examinations Board usually meets in August, and decides upon the textbooks for the following year.

Q.—Approximately, that would give printers five months' notice of any alteration, because the books would not be required until early in February?—That is so.

Q.—Quite a number of textbooks are printed in Australia at the present time, are they not?—I am afraid I do not know. In my own subject I know what is happening. I am only aware of one little book on arithmetic, that is at all used, that is printed here. I am afraid that I really cannot answer the question.

Q.—I know that in the Victorian schools cheap editions of textbooks are used, and I believe they are printed in Australia. The books are quite satisfactory, for twelve months or two years' use, but they would not be satisfactory for library purposes. Would you suggest that such books would be satisfactory for students, if not for library purposes?—I should not like to say that any book is suitable for student purposes unless I knew something about the subject and something about the book. I cannot answer a general question of that type.

Q.—A student at a public school does not take much interest in a book after he has used it for a couple of years?—No, but the teacher does. Are you referring to reprints of a book published elsewhere.

Q.—Yes. I see no reason why a book should not be reprinted here?—If that is the point I have nothing to say against it.

Q.—You have had no experience of the Australian produced book?—Not personally, except in regard to a very few that have come my way and were very nicely bound. I know of nothing in my subject, but a book on the history of South Australia was printed here and was very nicely bound.

Q.—You said, "All whose work is intellectual know from experience that frequent vexatious delay and loss which result from the inability to obtain in our own city, or even in Australia, a much needed book or magazine." If we were producing books in Australia, do you not think such books would be more likely to be available?—There I am referring really to books of a type in very limited demand, books that may be wanted only by a dozen people in the whole of the Commonwealth. Some of our booksellers in Adelaide are extraordinarily good in carrying stocks of books for which there must be a very small demand. They carry one or two copies. My friends and I have often been very pleased to find books here which we did not expect to find. We thought that we would have to send to England to get them.

Q.—Very often it is necessary to indent these special books for you?—Yes. Almost invariably one has to order them from England or elsewhere.

Q.—In regard to the importation of secondhand books, is there a big trade in Australia?—I do not know.

Q.—Are secondhand books bought up very freely by students and others?—I know they buy from one another a good deal, and I suppose they buy from booksellers who have bought from previous students.

By Mr. Kelly.—You stated that you viewed with even greater concern the proposal to tax prohibitively, or even to prohibit altogether, the importation of publishers' remainders and secondhand books. That suggests that you realise there has been a benefit in the past?—It is a very great benefit to individuals, but whether there is any large demand for such books is another matter altogether.

ADELAIDE—John Morley Bath

Q.—In your own experience, you know of benefit having been derived because of the availableness of books of that nature?—I think I may quote my own personal experience as a buyer of books. I suppose that outside my own subject practically all my serious reading is done with secondhand books. I cannot afford to buy new books because they are so expensive. I can secure a good biography secondhand for one-third of the price of the new book, sometimes even less than that. They are not so very old, either.

Q.—Stress has been laid on the reprinting of books. The reprints have been sold at a figure which appears to be good intrinsic value. However, I presume that the subject matter of the book and the likely market would entirely dominate the price at which it could be printed?—Yes.

Q.—Therefore, what would be possible in a limited range of books would not be possible in a range of books essential for the reading public?—Of course. A novel which has a large circulation can be sold much more cheaply than a scientific book which has practically no circulation.

(Witness withdrew.)

JOHN MORLEY BATH.
Sworn and Examined.

By the Chairman.—In what capacity do you appear?—On behalf of the South Australian branch of the Australian Booksellers' Association.

Q.—Where do they have their headquarters?—In Melbourne.

Q.—What is the branch's address?—The Secretary is E. H. Lowe, care of the Methodist Book Depot, Pirie street, Adelaide.

Q.—What is the address of the headquarters in Melbourne?—That address is 247 William street, Melbourne. The Secretary is D. W. Thorpe.

Q.—How many booksellers do you represent?—I have not exact figures, but I should say approximately in South Australia 20 full members, and quite a number of the members of the trade who are associated with us that are not subscribing.

Q.—Do you call them associate members?—Yes.

Q.—And they do not subscribe to the Association?—That is so.

Q.—Are members of your organisation members of Mr. Tidswell's?—No. There is no relation. I have prepared a statement, which is as follows:—

Rigby's Bookselling Business (in which I hold a controlling interest) was established in 1859, and for over 70 years has served the general public, Government and private schools and colleges, public and Parliamentary libraries and institutes, and as wholesalers the stores in all parts of this State. For the greater part of that period Rigby Ltd. conducted a wholesale and retail periodical department, doing an extensive business with the newsagents and general public, the latter principally by subscription. This department of the business was sold to Messrs. Gordon and Gotch (Aust.) Ltd. over six years ago, and since that time we have not traded in periodicals.

From experience gained during my association with this business, I feel that I am able to express an intelligent opinion on the subject under notice, and beg to submit the following statement for your consideration:

Whilst I am keenly sensible of the financial stringency and recognise the necessity for searching all avenues for revenue, and the importance of reducing the balance of trade which is so seriously against Australia to-day, I contend that the imposition of a duty on imported reading matter would not sufficiently relieve the position to justify such drastic action as that of placing a duty on books and periodicals.

Bookselling is a particularly peculiar trade, and ordinary trade usage and conditions which pertain to other commercial enterprises cannot be applied in the conduct of a bookselling business.

In the first place, publishers' terms are known to every member of the trade, and the published price is fixed, and the trading profit thus limited. The quality of the contents of a book, unlike other merchandise, does not determine the selling price, and so the financial success of bookselling, therefore, depends entirely upon tho bookseller's expert knowledge of his trade. If his judgment is at fault when buying he is forced to cut his loss by disposing of his surplus stock at under cost price; also he is frequently the victim of the public's caprice.

Booksellers in Australia, being so far distant from the world's markets, are at a great disadvantage, as they are forced to place their orders for larger quantities than those booksellers, say, in the provincial towns of England. The consequent risk of "overs" is ever present in Australia, making the trade a very precarious one, and any further imposition inflicted upon the trade will react with disastrous results to many people who are earning their livelihood by bookselling.

Assuming that educational books will be admitted free, I, whose bookselling business is practically all with educational institutions, will be exempt from this tax. Rigby's have published a number of books by Australian authors, which have been wholly set up and printed in South Australia, and it might be inferred that we will benefit from any protective duty which might be imposed. I emphatically assert, however, notwithstanding the implied exemption and protection, that it would be a retrograde step to impose a duty on literature of any description, and to restrict the education of the people in this free and enlightened country would be nothing short of a calamity.

The difficulty of defining an educational book and distinguishing fiction for school use would complicate the work of the Customs Department, and would tax the ingenuity of the department's experts. It has been suggested that all books, especially imported, for the use of schools, colleges, institutes, etc., should be admitted "free." How would an importer be able to "declare" his books when he does not know until months after to whom he will sell those books? Many books of fiction are set or approved for the use of scholars in the primary and secondary schools and colleges, either as readers, library books, or textbooks for the study of English literature for the University examinations. To quote only a few taken from official lists covering the last three years.

Fiction Used as Readers and Library Books in—
Primary Schools.

Jeffrey Farnol—The Broad Highway, Money Moon, Amateur Gentleman and others.
R. Sabatini—The Sea Hawk, St. Martin's Summer and others.
Conan Doyle—Sign of Four, Micah Clarke, Sherlock Holmes and others.
H. A. Vachell—The Hill, Brothers, John Verney and others.
J. M. Barrie—Peter Pan, Little White Bird, Peter and Wendy and others.
R. L. Stevenson—Black Arrow, Kidnapped, Treasure Island and others.
R. D. Blackmore—Lorna Doone, etc.
Also any of the books written by Thos. Hardy, George Elliot, Scott, Thackeray, Mark Twain, Dickens, Kingston, Henty, Ellis, and many others are officially approved.

The above and many more of a like nature are also distributed as prizes and library books to religious institutions, who would have to bear the increased cost.

Secondary Schools.

Books of Fiction Set by the Public Examinations Board (Adelaide University Examinations).

English Literature.

Shakespeare—Merchant of Venice, Midsummer Night's Dream, As You Like It, etc.
Novels by Dickens, Scott, Thackeray, Jane Austin, Stevenson, Meredith, Hardy, Kingsley, etc.

Any of the above and hundreds of cheap readers approved by the Director of Education are sold to individuals by the bookseller, who does not know whether they are for school use or not, and consequently any duty imposed would be added to the cost of the book, thus penalising the poorer people and placing a tax on education. (Mr. W. J. Adey, Director of Education in S.A., has read and confirmed the above statement.)

If a duty was placed upon fiction and the like only, this would drastically curtail the operations of the bookselling trade, for, however low the duty might be, the importation of many books would be prohibited, resulting in the dismissal of employees and the closing of small stores in the poorer suburbs and country towns now conducted by men and women of small means. The prices of books bearing a duty must of necessity be increased, and this will place these books out of the reach of the average regular book-buyer, who, it is generally recognised, develops from a fiction reader to that of good literature.

Diminished sales and a consequent reduction in orders going overseas would certainly limit the importation of books subject to duty, whilst the revenue so obtained would ultimately be reduced to such an amount that it would probably not justify even the administrative costs incurred.

Possibly the proposed duty is intended as a protective one in the hope that employment will be given to printers in Australia by the increased production of books in Australia. As an ardent protectionist, who has had some expensive experience in the publishing of books printed in Australia, I would say that the little that might be gained in this connection by the printers' employees would be at the expense of many more employees in the bookselling trade.

With the very limited market in Australia, as compared with that of England, who caters for the whole world, it would not be profitable to print and publish a novel in Australia unless it was of a very outstanding character.

To produce at a cost to sell at the usual retail price the publisher in Australia would have to print at least 2000 copies, and he would be very fortunate if he sold half of these, as it is recognised that the sales limit for a novel in Australia is 1000 copies, and then only for a "best seller." It is a trade axiom that "Your profit or loss depends upon your overs," and another, "Overs are the bookseller's bugbear." I have published to sell at 4/ to 5/ retail, and have jobbed half the edition a year later at 6d. and 7d. per copy, and I know of others who have had a similar experience.

Two weeks ago I had conversation with the biggest publisher in Australia—Mr. George Robertson, of Angus and Robertson, Sydney—when he gave me his permission to say that he was definitely opposed to a duty on books. With the limited outlet in Australia the author must needs send his MSS. to England, where they publish much larger editions, and where he has a better chance of collecting bigger royalties than if his book is published in Australia. The proposal that "books of all kinds which have been printed or reprinted in Australia and then printed abroad" should bear a heavy duty is very unwise, and if put into effect would prove a cruel blow to the Australian writer, unless, of course, it was a "pirated" edition. Some years ago my firm published Mr. Arthur Gask's first novel, which was printed in this State. The limited market returned only a very small profit either to the author or publisher, but a copy of our book was sent to each of several publishers in England, one of whom immediately cabled an offer to Mr. Gask. Rigbys withdrew the balance of the local stocks and Herbert Jenkins published the book in England with much success and profit to the author, who has since written six books and received a considerable amount in royalties. If the English reprint of Mr. Gask's first book had been subject to duty when entering Australia the publishers would certainly not have purchased the rights, and possibly the author would not have written another book. (Mr. Gask has read and confirmed the above statement.)

To summarise my statement, I would emphasise my contention that—

A duty on books would not—
- Increase the customs revenue materially,
- Encourage the production of books in Australia,
- Relieve unemployment,
- Protect any industry, or
- Benefit the Australian authors.

A duty on books would—
- Increase the price of books,
- Penalise the people of small means,
- Reduce sales,
- Create unemployment and close small stores,
- Restrict reading and reflect on the intelligence of the people, and
- Be a tax on knowledge.

In conclusion, I would remind the Board that every country has its own particular kind of knowledge, which is the accumulated experience of its people gradually recorded in its books. The people of each of the older countries of the world have been helped by the experiences of other peoples of past ages, gathered from their records, books, and used to their own great advantage by the living.

The younger a country is the greater is its need for the free introduction from outside of these records of knowledge and experience, and anything that is done to restrict the facilities for obtaining this knowledge would be, in my opinion, nothing short of a crime against the coming generations, who, as users of the English language, are entitled to share in the common heritage of English literature.

I sincerely trust that our protests will not go unheeded and that the idea of taxing knowledge and impeding its free importation into this young country of ours will be abandoned by this and every succeeding Government of Australia.

Q.—You say in your statement that the imposition of a duty would not sufficiently relieve the position. The claim has been made in regard to the customs revenue that if the new method is adopted with commercial printing, as suggested, and so on, it can be expected to produce a very large revenue indeed, £2,000,000 to £2,500,000 being an easy possibility. Do you not agree with that?—Those figures are limited to books and periodicals.

Q.—And they claim £2,000,000 to £2,500,000 as the probable increased revenue?—If the whole of that amount could be manufactured in Australia I would be the first to welcome it, but my contention, drawn from my experience, is that a very small percentage of that £2,000,000 would create the trade in Australia, because of the nature of the books and periodicals published.

Q.—Do you consider that there is scope for some books to be published in Australia?—Unquestionably.

Q.—And do you think the opportunity is there for the printers at the present time? Do you think that, as the position is—free, five and ten, or free, free, free—they could print those books to compete with the books from overseas?—As I remarked in my statement, there are certain books which have been published in Australia already, some profitably, some very unprofitably. If they can be published profitably why impose the duty? The imposition of the duty would not increase the sales of any of the books I have published, nor encourage me to launch out in any new direction.

Q.—In regard to those books which have been published in Australia, we look to you to tell us something about those which have been produced at such a cheap rate. The Life of Henry Ford, for instance, was published in Australia and sold for 7/6, and it was sold in America for 14/7?—The one that was published in America was certainly a very nice edition; it was published in octavo with excellent paper, and splendid type, and covers of strong cloth board; but the Australian edition was of a smaller size, with different paper, and very ordinary

covers. We ought to take consideration of the fact that there are so many different factors which would cause a book such as you have named to be sold in Australia. First of all, the natural inference is that Henry Ford's interests are behind this book, although no evidence of it can be produced. That would be a business secret. Secondly, in regard to other books which you have named this morning in my hearing, dumping may come into it. They may have had the experience which I have quoted in my statement, and the result is that, to cut their losses, they naturally dumped their overs into the first country they can lay their hands on.

Q.—But I take it those books have been published in Australia. They are not books which have been published in England and exported to Australia?—I am answering your two questions at once. In regard to the edition of the Life of Henry Ford, that was published in Australia, the quality of the material was much worse than that of the American edition.

Q.—Do you know anything of "Why I am a Christian"?—No.

By Mr. Kelly.—What about "The Life and Letters of Walter Page"?—There will be a new edition of that shortly. There are to be two volumes in one sold for 5/. That will be in the next few days. In regard to the titles of the books you have named, I was impressed with the fact that they would not have been sold if the price had not been made what it was.

By the Chairman.—Is it going to be profitable for the Australian production?—We have made careful inquiries and I understand there is not one publisher in Australia who is supporting this request for a duty. That should be a sufficient answer, and an indication that the publishers here recognise that they are not prepared to take the risk.

Q.—What is going to be the price of "The Life and Letters of Walter Page"? Will is be 16/, as suggested here?—The two volumes are going to be bound into one, and it will be sold for 5/. I would also like to remind you that many of these books, apart from their being remainders, are reprints. The initial cost, which has been already wiped off, possibly in America, does not come into the question?

Q.—But they must pay some royalties, surely?—In many instances it is not so, but it cannot be proved. If I were to attempt to purchase the published rights to, say, "The Life of Henry Ford" I would soon find out what it would cost me.

Q.—I have given you a list of these various books, and I think it would be as well for your Association to investigate them and submit evidence at a later date in regard to them?—That will be done.

Q.—It is necessary for you to combat that evidence, and give reasons why the books are so much cheaper.—We will do that.

By Mr. Kelly.—It would be interesting to give exhibits?—Yes. I understand the proposers have no exhibits.

By the Chairman.—Not yet, but I think your Association should take it up.—Yes.

Q.—There are a number of books produced in Australia, such as the textbooks which I spoke about to Professor Wilton. Those books have served a good purpose. Do you agree with that?—Yes.

Q.—Do you not think those books should be protected?—You are speaking of the locally produced book?

Q.—Yes?—I am producing a book at the present time for educational purposes, and even one on the subject Professor Wilton is instructing on at the University—mathematics—but that book is not set by the examination board of the University, but is used principally by the local high schools, because the formula is all put together by one of their staff. In a case like that it is left to our business acumen to see that that particular book is used as an aid, at any rate, but those books are not actually set. It is not compulsory that they should be used for the purpose of University examinations.

Q.—You are quite satisfied with the result of that pro-

duction, and the sales?—Yes. Its success is solely because it is local.

By Mr. Kelly.—It is not really amenable to attack from outside, quite frequently, I take it?—No. It would be used more or less besides the others.

Q.—There is no competition?—No, but any duty imposed would not increase my sales one iota.

Q.—That means that such books are not of a universal type of literature, but something with local colour or something applicable to the curriculum of the State Department?—Yes.

Q.—Therefore, they are protected in the sense that there is nothing else available of the kind?—Yes. May I answer a question put to Professor Wilton in regard to the time given to procure these textbooks from overseas. As Professor Wilton said, the examination board have usually completed their list of prescribed books for the ensuing year by August. Then, as booksellers, we must naturally anticipate the requirements of the various schools and colleges for the coming year. You will recognise, of course, that it would be a most difficult thing for me or you, or the headmaster of a school, to say how many books would be required at the opening of the schools in the coming year, because there are so many factors which come into force, such as the present depression, and that sort of thing. They make it very difficult for the teacher to estimate his requirements for the coming year. To ensure that stocks will be available in Australia in time to arrive and be distributed before the opening of schools it is necessary for us to put out an order for an approximate quantity. I need not emphasise the risk that we take in that connection. Last year, as soon as we obtained the list, we secured an estimate of approximate requirements from each of the teachers, who, of course, must be protected against any risk which they are not prepared personally to take. The result is often as follows:—A teacher says to me, "I think I shall need 50 copies of this book." We have to see that 50 copies are available. After we have handed him over his 50 copies he says that he finds that the depression has kept many scholars away—all sorts of things may occur—and he requires only 40 of the books, and, therefore, he returns ten of them.

Q.—There might possibly be an overflow at the next school?—Yes. We have to know our job, of course. To illustrate my point, let me tell you that the amount which was credited on account of returns in the month of February this year was over £1600.

Q.—Have you any opportunity of selling these remainders?—It depends on the University Examination Board. As Professor Wilton said, they set their books for the coming year, and many are reset. The board is very considerate. If they know that a bookseller is caught with a book, and there is a suggestion that it should be altered, they will consider the bookseller and say, "No; we will carry it on for another year." So we have to work in conjunction with the University authorities, and the schools and colleges, because they recognise that they are dependent on us for supplies. It would be disastrous to any school if they started teaching a subject and had not the textbooks.

Q.—In regard to those textbooks, are there any cheap reprints of those in Australia?—No.

Q.—You have the opportunity of shipping these overs, returning the overs to England?—Emphatically no. We have to give a firm order ourselves and accept the responsibility.

Q.—You really think it would be a restriction if the increased duty were granted. There is not the least hope of them being printed in Australia?—No, those books that I quoted are in this position. I spent some time with Mr. Adey, who gave me permission to mention the fact that I had conferred with him. He said it would be a very serious thing if we were restricted in any way in regard to the use of fiction in our schools. He considers that fiction is absolutely essential to the study of English literature, and that it is essential that these books of those better authors—of course, we all recognise that—are essential and must be placed in the libraries of the schools. Every school in South Australia has its own library. Every school is supported by a school committee, which committee works in an honorary capacity. That committee raises funds by bazaars or concerts or anything you like in that way, and then the department turns round and subsidises what has been collected upon an equal basis of pound for pound up to a certain amount. With the present financial stringency, from which we are all suffering, it is just a question as to how the Government is going to continue this generous assistance to these school committees. That is another phase of the matter which I might have mentioned.

Q.—Are you satisfied that educational books would be admitted free under the application of the applicants?—I feel sure of it.

Q.—You have heard the wording of the application?—I have seen a copy of that.

Q.—Do you think there would be a sufficient number of any one line which they could produce efficiently and economically. Take, for instance, one of those textbooks, and there was a big demand for it, say there were 2000 or 3000 required, do you not consider that those could be produced?—Unquestionably, I do it myself.

Q.—If they were produced economically, the imported book would not be admitted free, so that it would mean all educational books would not come in free?—The point of that is, would you limit the educational authorities in this State or any other State to the one textbook simply because it is manufactured here. I have produced for a number of years and published a book by a local author that is not set, but which is strongly recommended by the University authorities, and is used in all the secondary schools. I have been very successful with that book, but if I attempted to make elaborate production of that book I could not do it. I must keep the material down to the lowest possible figure in order to sell that book at a reasonable price to the schools.

Q.—Are you, therefore, satisfied with that proviso in regard to educational books?—No. My contention is that all books should be free. Speaking quite selfishly, it would be to my advantage, perhaps, but at the same time, speaking as one of the community, I think it would be an undesirable thing.

Q.—You are dealing with educational books only for the moment, and would you be satisfied with the proviso as prescribed there?—I could get through it.

Q.—You could?—Yes. Allow me to illustrate my point. There are several booksellers in this town who do not cater for school books. Say the Director of Education authorised us to put Jeffrey Farnol's "Amateur Gentleman" in the schools. Other booksellers must import that book to sell to the general public. If the duty is put on fiction, as proposed, the price at which the booksellers would sell it would be considerably increased. I could make my declaration that I am importing the "Amateur Gentleman" for the use of schools, and could truthfully adhere to it, and stick strictly to it. Because there is no duty on it I could sell that book to the schools at, say, 6/, as against the other man's 9/. Then what is going to happen. The other bookseller would be placed at a disadvantage again, because a customer would say, "I am not going to pay 9/ to him." They would only have to get a friend in the school department to get that particular book for them, a copy of the "Amateur Gentleman." The customs authorities could not control that.

Q.—So that it would be liable to abuse?—Yes, I suggest that, of course, not that I would do it.

By Mr. Kelly.—I would just like to ask you to check me on the risks that you would run, and on what you would judge a book. I mean, whether it would be wise to attempt to print a book in Australia? I take it the ground would be pretty limited. I think you suggested a book of an educational nature that suits the local curriculum?—I know that might be published.

Q.—That is all right; in that case, duty or otherwise, it would make no difference. But take a book that deals with local incidents or local history, or the history of a battalion, or unit of South Australian origin, anything that is specifically South Australian or Australian, that you would be inclined to take the risk of publishing?—I published the "43rd Battalion" under arrangement with those out here, because it was on behalf of the battalion club. That was done purely without any profit at all. That was sold principally to members of the club at the absolute bedrock cost. You could not take a book like that.

Q.—I just want to know. Those two types of books are obviously suitable for local production?—Yes.

Q.—What other type of book would you add to those two. I have suggested two, one that suits the curriculum and one that deals with local conditions?—You have mentioned local conditions, and I have a book in my stock there now; in fact, I have a couple of thousand of them, which was an excellent story from a reading point of view, even regarded as a novel, on the early history of South Australia before the State was colonised. It is an excellent book, yet there is no demand for it. They do not want to know anything about themselves, and we are not old enough for a book of that particular type.

Q.—What I am trying to find out is what is the nature of a book that you can successfully print here. When you get into general literature, then you are open to the world's competition?—Yes, that is right.

Q.—I suggest that most of the successful publications have been in reference to subjects that are not open to the world's competition. I think that is generally so?—Yes, I would say that is correct in every particular.

Q.—Where you are open to the world's competition you do not consider that local production would be feasible?—No.

Q.—As to these profits, or the lack of them, you know what is the nature of the attack. The attack that there is a ring, and a well-erected ring, with quite a good fence around it, and considerable profits are made. That is the allegation. You think there is no harm in extending the principal a bit further and putting a ring right around the Commonwealth?—If a may, I would like to give a general reply to that.

Q.—I want to get that?—The Association which I said I was representing has been in existence for a number of years, and every bookseller in Australia comes under the jurisdiction of that particular Association. We have at very great expense covering a period of the last three or four years arranged an agreement between the Publishers' Association of England, and that agreement came into force on January 1 last. That was the date on which that agreement was to take effect. Not only did we arrange it by correspondence, but we sent four delegates to England to confer with the Publishers' Association, and after some months they were able to bring about an agreement that reduced the price of books, and everyone knows on what basis they are to be sold. Those efforts have unquestionably resulted—and we can produce evidence to that effect—in a lower retail price, and in many instances the British publishers, and that is one point I want to bring forcibly before your Board, as it has been mentioned several times—have enabled us to sell at a lower price than books are sold in England. Of course, it has been mentioned several times here, and the question has been asked why books are sold in Australia at a lower price than in America. I notice that no comments were made at all as to why fiction is sold in Australia at 6/ a copy, which the man in the street in London has to pay 7/6 a copy for. I might say, in addition to what I have already said, under this arrangement which we have there are certain books where the cost of production to-day is exceptionally high owing to the royalties that have to be paid. If a publisher wants an expert to write up a particular book, he must naturally pay for his services and the royalty may range from 5 per cent. for the poor man and for the small circulating book up to even as high as 15 per cent. and 20 per cent. So that the publisher must set off that cost before he starts. Notwithstanding all the conferences and discussions that have taken place, the booksellers of Australia for some years now have been selling books here in Australia under

the English published price. For years we have been selling books published here and sold in England at the retail price of 7/6 throughout Australia at the price of 6/.

Q.—That is not because you are making that much less profit than the bookseller in Great Britain?—As I said in my statement, everybody in the trade knows the publisher's terms, and, the published price being fixed, the profit is limited.

Q.—What I want to know is, and I have often wanted to know, on these figures that you have given, the lower price here as against Great Britain, is not that due to concessions given by the printer?—No. It is due to the number of books that are published in a particular edition. For instance, with a textbook I would not dare to publish a 5000 edition of a textbook.

Q.—That is not the point; why is it that a book is available here in Australia cheaper than in the United Kingdom?—Because of the huge quantities that are published.

Q.—That hardly answers the question.—The larger the edition the lower the cost of a particular book, of an individual book.

Q.—But I would assume that that reduced cost would be applied equally all round the edition. Why is it sold here lower than in the United Kingdom in the cases you indicate?—They have got their surplus supplies over and above the requirements of the English markets.

Q.—In other words, the publishers make available to the Australian merchants books at a lower price?—The surplus that they produce over and above the requirements of the English market.

Q.—In ordinary commerce we would say that they are dumping?—They are giving us the advantage they recognise that they supply us with what are known as the colonial editions.

Q.—In other words, they are made available by the publisher at a lower price for the colonies than for the United Kingdom?—Yes.

By the Chairman.—Does the colonial edition cost the publisher less?—No, it is the surplus over and above the English requirements, or the requirements of the United Kingdom.

By Mr. Kelly.—I am rather amazed at this 1000 for the best seller. We surely exceed 1000 copies for anything like a popular book?—I am speaking of an Australian book, published in Australia.

Mr. Purnell.—May I reply to that previous question in regard to the colonial edition? The colonial edition is often very inferior to the English edition, and that is why it can be sold here at a cheaper price. In many cases the English edition has a gilt top. I have an edition of a novel which differs from the Australian edition very considerably. In the English edition there is a gilt top and that is not in the Australian edition.

The Chairman.—Your colonial edition would cost less than the English edition.

Mr. Purnell.—Yes.

By Mr. Kelly.—You laid stress right through on the higher costs and that they would restrict production. That really was the basis of your argument?—Unquestionably.

Q.—I take it that if it be a fact that the book trade has been restricted latterly since the war it has been due to that?—Yes, we are all having a bad time.

Q.—I know the price of books is the limiting factor, but you suggest if it was higher it would limit the trade more severely?—Undoubtedly.

By the Chairman.—You told me that evidence would be submitted of the price of these books, the importer's price and the price to the public?—Yes, that will be submitted. I will pass that on.

Q.—Because it would be very interesting for the Board to have that information?—I have had the assurance of the Executive last week that all information we could not supply here would be definitely given in Sydney and

Melbourne. They will be prepared with anything in that way.

(Witness withdrew.)

The Chairman.—Is there any other evidence?—(No response.)

The Chairman.—I just wish to say the Board is very pleased with the way in which you have dealt with this matter and the way in which you have given evidence. The inquiry is now adjourned to Sydney on April 3, 1930. The inquiry will be held at the Commonwealth Bank Buildings, Sydney.

BRISBANE

The Board met at Parliament House, Brisbane, on Monday, March 24, 1930, at 10 a.m.

Present.—Mr. H. McConaghy and Mr. S. Berchdolt.

GEORGE HERBERT BARKER.
Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As a bookseller and Secretary to the Queensland Booksellers' Association.

Q.—What is your address?—Adelaide street, Brisbane.

Q.—And the Association's address?—They have no official address.

Q.—It will be in your care?—Yes.

Q.—I notice you are appearing on behalf of the Association?—Yes.

Q.—And you are presenting a case on behalf of the Association?—Yes. My statement of evidence reads as follows:—

Speaking on behalf of the members of the Queensland Booksellers' Association of Brisbane, I desire to place before the Board reasons why the suggestion that a duty be imposed on printed books and periodicals should not be entertained. Summarised the reasons are as follows:—

1. Such duty would be a direct tax on knowledge.
2. It would be a certain cause of distress and unemployment among the proprietors and assistants in the thousands of shops devoted to the sale of books and papers.
3. It would provide a negligible increase, if any, in the employment of printing operatives.
4. It would practically kill the slow-growing effort to foster an Australian authorship, owing to the impossibility of Australian sales providing them with any adequate regard for their labours.
5. The penalising of the great mass of Australian people in all walks of life, due to the fact that the duty would in a large measure deprive them of the means of the best and most lasting form of entertainment, that of reading.
6. It would nullify the recently successful effort of Australian booksellers to secure a modified uniform price for British and foreign books on the Australian market.

In enlarging on the subjects dealt with in our summary, we do not for one moment anticipate that any Government would contemplate a duty on educational or religious books, and we, therefore, waste no time in detailing any of the many reasons against such a proposal.

There remains, then, only the very few books that do not come under this heading, chiefly fiction and some other books of entertainment, and here again there will be many exceptions causing much loss of time and trouble to departmental officials and public alike. For example, this year at the University over fifty (50) novels are set for study at the different intra and extra-mirral examinations held under the direction of the Senate.

Under this heading also comes the thousands of juveniles imported into the Commonwealth each year for school library purposes, and which our chief educationists declare to be one of the most fruitful courses of mind training that the child receives. For many reasons, embracing copyright, royalty and cost of production, nothing but a fraction of this material could be produced here, and the insignificant amount of revenue a customs duty would yield, due to vanishing imports, would be greatly overshadowed by the increased expenditure under the heading of education.

It is held that fiction is an entertainment, and this is admitted, but we also contend that it is a necessity, and that in this age of strenuous living it is a vital necessity to the health of the nation, providing relaxation both mentally and physically for men and women who would otherwise be existing at high pressure all the time, to the danger of their well-being.

As an indication of how little chance there is of publishing books here at a profit, the case of the book, "A House is Built," may be cited. This book, which has received by far the greatest boost of any recent novel in Australia, winning as it did the "Bulletin" prize, appearing as a serial in the pages of that journal, and receiving all the publicity of that paper's organisation. Yet no publisher in Australia could see sufficient profit in the venture to publish it here, and it came out in London, where the publisher, with his outlet to the whole of the Empire, is able to issue an edition large enough to keep the individual cost of the book within bounds. It is, therefore, plain that an Australian author who looks for profit must be content to have his book published in Britain. Therefore, if a duty be placed on books none but the very front rank authors will be imported, and the chance of the Australian being introduced to this market would be nil. The statement made in the press that the £3,300,000 worth of imports of printed matter (which includes advertising matter already dutiable) would provide industry with six or seven million pounds cannot be substantiated, and even if it could the argument defeats itself, because it immediately shows that the Australian public would have to pay just double the present cost (which is already high enough, in all conscience) for the same amount of material for which it now pays £3,300,000.

As against the very doubtful fact that any advantage at all would accrue to the printing and allied trades, there is the certainty that a duty on books and magazines would so deplete the trade in these goods that the many thousands of small shops throughout the Commonwealth almost entirely depending on these goods for a livelihood would be forced to close their doors or considerably reduce their staffs, and thus swell the already large army of unemployed, and we would be far worse off than we are now. We, therefore, ask that no such duty should be imposed.

Q.—What proportion of the bookselling trade does your organisation cover?—In effect, practically the whole of the people selling retail and wholesale books in this city and in the towns of Queensland, because we not only act for members, but we act for the trade as a whole.

Q.—Do you consider that you are authorised to speak for the trade as a whole?—Yes. That was done at a recent very well attended meeting.

Q.—Are you addressing yourself at all to fashion plates in this evidence?—No, we are confining ourselves to the statement in that evidence.

Q.—To what extent in the State of Queensland are books that would be covered by this application now printed. Have you any idea?—Practically none at all.

Q.—Compared with the range of goods sold, would it scarcely be worth mentioning?—Yes, infinitesimal.

Q.—When you say that you exclude educational or religious books, you then say, "There remains only the very few books that do not come under this heading."—Do you think that statement is correct, "A very few books that do not come under the heading of educational or religious"?—Yes, that is the considered opinion of our Association.

Q.—Obviously, then, you do not limit educational to school books?—Certainly not.

Q.—All books are educational. They may be badly educational, for instance, or moderate, or good?—We were not considering that point.

Q.—All books on travel and discovery you consider educational?—If you go over the classified list that is published in the English catalogue of books practically every heading in the catalogue, in fact, without exception, there are educational books, and I suppose there are 25 to 30 headings, and there are educational books under every heading, including science, literature, travel and discovery, and fiction. Even with fiction today the greater part is educational. Many books of educational value are written in the form of fiction, and you would probably learn more from some books of fiction than from books of travel, and, in addition, they have the added advantage of being interesting to read.

Q.—That imposes a very broad definition of the word "educational"?—I mention that there. It would be very difficult to differentiate if educational books were exempted. There is no doubt it would, from our knowledge of catalogues and issuing lists.

Q.—Of course, you could make a clear definition of technical books?—The technical side is, of course, one branch of education. I make the statement there that the University this year have 50 novels in their list for practical school work, which no one can gainsay is educational. It shows you how hard it is to differentiate.

Q.—What is the nature of these 50. How many are modern novels?—I should say half of them.

Q.—And half the old classics?—When I say half modern I would regard books by Dickens, Thackeray and Scott as old.

Q.—In connection with the book, "A House is Built," do you think if this duty had operated before that book was written it would have helped to have had it printed in Australia?—No, I do not think so.

Q.—Are you arguing, then, on the lines that, if it had helped to print it in Australia, the most you could have expected would be for the Australian requirements to be printed in Australia?—Well, no, I do not think I would be prepared to say that. The great point about it, of course, is the scarcity of the reading public, and, that being so, you must bring out an edition of over 5000 if you are going to see any profit in it, and the risk of such a book finding a public of 5000 here in Australia would be too great for the publisher to contemplate. It is from that point of view that I speak of it there.

Q.—Would you really think that a novel that had the boost that that novel had would not find 5000 readers in Australia?—It did, but it may not. For instance, it appeared in the pages of a journal for a start. That may influence a publisher's opinion. As I say, one never gauges the public in any particular place, and the British publisher has the outlet of the whole of the Empire, where tastes vary so much that he is pretty certain to get through his quantity.

Q.—Do you know the origin of your figures, £3,300,000? Do you know where they emanate from? I am asking because under the heading of books, including music, periodicals, and newspapers, the official statistics show only £1,250,000?—It was a contribution to the press. I am just trying to think whether it was in the "Sydney Morning Herald" or the "Courier." I have just forgotten for the moment. I neglected to make a note at the time, but it could be turned up.

Q.—Taking books on the one hand as apart from periodicals and magazines, in what country are the majority of the books which reach Australia printed?—Great Britain.

Q.—Non-magazines?—I am not speaking of magazines.

Q.—Probably not Great Britain for magazines?—I do not know. I do not handle them personally at all. Though some of my shops do, I do not handle them at all.

Q.—Taking the British preferential rate, proposed, that is, 45 per cent. ad val. or 1/ per dozen for each 3/ per dozen or part thereof of the standard retail sale price, have you any idea how that duty would work out?—No, I have not given the matter any thought. That is the first time I have heard of that particular suggestion.

Q.—I am not sure that this represents the final suggestion, but I do not think that matters for the purpose of your evidence. If the duty were anything like this at all, your objections would stand, and, of course, if the duty were not substantial, presumably it would be no use. I presume even the sponsors of the duty would admit it would be no use unless it were substantial?—Possibly, but I have not given the matter any thought, so I would not be prepared to make any statement on that. We are totally opposed, of course, to any duty.

Q.—In any case, 45 per cent. virtually means 50 per cent.?—That would be ad valorem?

Q.—Yes, that would scarcely have the effect that you mention of doubling the cost, would it?—Practically. We always have our selling cost on top of that again proportioned.

Q.—Could you tell the Board what the difference is now in the sale price of the average book in the country of publication, that is, the retail price and the price which the Australian buyer pays?—The difference.

Q.—Yes.—Yes.

Q.—And what does it amount to?—In most cases there is an increase on books brought out here by Australian booksellers ranging from one-third to 20 per cent.

Q.—That is in the actual retail selling price?—Yes.

Q.—A book which sells in England for 3/ would sell here at about 4/?—Yes, and as the price rises the increase gets less, gets to 20 per cent., for instance, on a 20/ or 30/ book. As against that, of course, on some books we are able, by getting an extra discount, to sell at the London price.

Q.—There are some sold at the London price?—Yes, the list of those is increasing.

Q.—Any fair proportion of the business?—Not yet.

Q.—How is that third on accounted for apart from freight?—The chief reason for it is the distance from the market and the consequent loss of unsold stock.

Q.—And, of course, the distance is irremediable?—Yes.

Q.—The loss on stock is only a question of judgment?—Yes, which, of course, is the crux of the bookselling business. We have not the facilities for return stocks that the British bookseller has.

Q.—In ordinary fiction, would the bookseller at home have right of return?—No, fiction is exempt from that increase I spoke of. I should have remembered that. The English novel, which sells to the public at 7/6 at Home, sells here to the public at 6/, due to the fact that the Australian bookseller gets more discount than the British bookseller does.

Q.—What about the cheap fiction?—No, it is only the colonial 6/ novel which is exempt. All the others are subject to increase.

Q.—That is, you call it the colonial edition?—Yes.

(The witness withdrew.)

ALFRED JOSEPH THOMPSON.
Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As President of the School of Arts Association, Queensland, Dalgety's Buildings, Elizabeth street, Brisbane. I am speaking on behalf of the School of Arts Association of Queensland.

The School of Arts Association of Queensland is an Association formed for the purpose of promoting the interests of these institutions within the State, and co-operating with similar bodies elsewhere.

BRISBANE—Alfred Joseph Thompson

There are 284 Schools of Arts in Queensland, with an aggregate membership of 18,427. These are scattered far and wide. Most of the country towns and some sugar mills and sheep stations have Schools of Arts, which are the only means the people in these places have of getting good literature at a reasonable price.

The sum of £11,004 was spent during the year 1928-1929 on literature, and 34,730 volumes added to the libraries, which at June 30, 1929, totalled 517,257.

The Schools of Arts Association is opposed to any increase of duty on books brought into the country; it would involve either an increase in the present subscription rates or a reduction in the number of new books being purchased.

The number of subscribers to Schools of Arts is small when compared with the population of the State, and committees in many centres complain of the financial difficulties being met with, owing to the fact that the list of subscribers is either stationary or actually falling off in numbers.

The State Government generously subsidised Schools of Arts to the extent of 10/ in the pound, and without this it would be quite impossible to carry on. This vote goes to the institutions through the Department of Education, and the help afforded to Schools of Arts is regarded as part of the general educational system. Any additional duty would be a deterrent to the expansion of knowledge, and involve the State Government and the individual Schools of Arts in higher expenditure, that is, if the present rate of progress is to be maintained.

A School of Arts may be regarded as the poor man's library, and everything should be done to nurture his taste for reading, by keeping up a steady supply of the newest and the best volumes.

Any higher duty imposed at the present time, coupled with an exchange rate of £6/10/, would be a very serious burden on Schools of Arts.

Q.—I take it you are not interested in fashion plates?—Not at all; this really includes magazines, as well as fiction.

Q.—Well, it covers the whole gamut of the application, excepting the first part, fashion plates?—Yes.

Q.—What proportion of the activities, if I may put in that way, of the School of Arts is addressed to literature. They have other attractions, I take it?—Some Schools of Arts have halls which they let. Others have billiard rooms, but with the majority of them the chief activity is the library.

Q.—Speaking generally of your 284 institutions, would you say that by far the major portion of their interests is in the library?—It is very difficult for me to say that. A great number of them has halls, but I do not know what proportion of the revenue comes from the halls and what proportion from subscriptions, but some indication of that is given by the amount of subsidy passed by the Government. If I remember right, the amount of subsidy given by the Government was £7100 in the year 1928-29, and we are subsidised to the extent of 10/ in the pound on library subscriptions and on functions organised for the benefit of the library.

Q.—What is the average subscription?—It differs from 7/6 to 15/ a year.

Q.—And you only get the subsidy on subscriptions?—Subscriptions and entertainments organised for the library.

Q.—That indicates a relation of 18,000 membership to £7000. The subsidy shows that the subscriptions loom very large in the income?—Yes, they do.

(The witness withdrew.)

ROBERT VICTOR SMITH.
Sworn and Examined.

By the Chairman.—In what capacity do you appear?—As Librarian of the Workers' Educational Association, Edward street, Brisbane.

Q.—I take it that your evidence is addressed to books, magazines and the like, and not to fashion plates. Is

BRISBANE—Robert Victor Smith

that right?—That is so. I have prepared a statement of evidence, which reads as follows:—

I am empowered by the Workers' Educational Association to state that it regards the proposed tariff on books as nothing but a crushing tax on knowledge. It is not a tax which will be borne equitably by the community, nor even by those best fitted to bear it, but by the class of citizens which it should be the duty of every civilised State to encourage—the seekers after knowledge.

Books can roughly be divided into the following:—
(a) Classical; largely in cheap editions.
(b) Modern books—
(1) Books which are technical, or with a limited appeal.
(2) Books with a larger public.

A tariff on books would not result in books under division (a) or (b) (1) being printed in Australia. It might cause some books under division (b) (2) to be printed here, but any advantage accruing to Australia by reason of additional employment in the printing trades would be offset by unemployment in the staffs of booksellers and distributing houses, for, with the increased costs of books, obviously less would be sold. That would happen even if the same amount continued to be spent on books, but it is almost certain that large numbers of people who now spend small amounts on books would spend their money on amusements, or in other directions, when the increase of price becomes operative.

Last year my Association spent the sum of £350 on buying books for its library. That amount is quite separate from what was spent by the Department of Tutorial Classes for textbooks and class libraries. For the current year the Association can only spend £250. If the proposed tariff becomes law £80 of this amount will go to customs revenue, and only £170, or approximately half of last year's expenditure, will be paid for books. My Association provides the following periodicals for its members:—"The Nineteenth Century," "The Contemporary Review," "The National Geographic Magazine," "The Forum," "Current History," and others. These magazines give to its members some knowledge of world movements, and of the ideas which are occupying the minds of thinking men in Europe and America. It would be a tragedy if the supply of these magazines had to be cut off, for the Association cannot afford to spend more on periodicals. If their cost is increased some must be dispensed with.

The following are a few books bought by my organisation:—

The Rise of the House of Rothschild (Corti), 30/.
Ten Plays of Shakespeare (Stopford Brooke), 10/.
Genius and Character (Emil Ludwig), 16/.
England (Dean Inge), 10/6.
Elizabeth and Essex (Lytton Strachey), 19/.
Alfred Deakin (Walter Murdoch), 18/6.
My Crowded Solitude (Jack McLaren), 12/6.
The Greek Commonwealth (A. E. Zimmern), 30/.
The Decline of the West (Oswald Spengler), 30/.
Collected Poems (Sir William Watson), 13/6.

With the increased tariff my Association will not be able to purchase many of these and similar books. It will have less to offer its subscribers, mainly workers; knowledge will be curtailed, and work of the Association will be less effective, and the number of members will probably diminish. Not only will members be receiving less assistance, but they will find it more difficult to buy textbooks needed for their studies. The position is absurd. The State Government, in a desire to foster education, is affording monetary assistance to the W.E.A. What the State Government is giving the Commonwealth proposes to take away.

My Association has no desire to hamper local writers in their efforts to gain recognition. On the contrary, it would welcome any scheme which would effectively encourage them, but it cannot contemplate with equanimity a proposal which would assuredly shut Australia off from the foremost thought of the world, whilst affording no certainty of benefit to the talented Australian writer. If he or she has restrictions placed upon the access to the world's great writers, how can Australia expect to produce great books? A bounty would effect all the desirable results which are sought, and the bounty need not be extravagant. The Sydney "Bulletin" has recently conducted prize competitions for novels. Eight of the books submitted have since been published in London or are shortly to be published there. There is no advantage in encouraging trash, even if it is Australian trash, and a bounty would assist the desirable without encouraging the undesirable, and without restricting the access of readers and students, possibly of future local writers, to the cream of the world's literature.

It may be suggested that a tariff would distinguish between educational and other work. We maintain that no fair line of demarcation can be drawn. Take the following list of authors:—Ibsen, Hardy, Shaw, Galsworthy, Wells, Eugene O'Neill, Arnold, Phillip Gibbs, Anatole France, H. L. Menchen, G. J. Nathan, Phillip Guedalla, Edmond Gosse, A. G. Gardiner, G. K. Chesterton, Hillaire Belloc, Dean Inge, Bertrand Russell, J. B. Bury, Joseph Conrad, H. M. Tomlinson, Romain Rolland, J. M. Synge, Middleton Murry, Robert Lynd, E. V. Lucan, Ludwig Lewishon, Robert Bridges, and George Saintsbury. Those are a few modern writers. All are talented. Many are great. Who is fit to classify their works as educational or non-educational?

My Association—and the majority of the thinking section of the community must support its view—regard the suggested tariff as a direct frontal attack on the principle of free education, which has been accepted by everyone for half a century. It is the most retrograde and reactionary proposal of modern times. For upwards of fifty years it has been the aim of the State and the community to provide for all easy access to knowledge, education and culture. The citizens of Australia cannot afford to lose the ground which has been so hardly won.

Q.—What is the relation between your institution and Schools of Art?—Our Association provides classes for people in the community. For instance, we have a literature class, taken by a University lecturer; a psychology class, taken by a University lecturer, and so with economics, and right down the subjects are all taken by qualified men. We say to the community that, if you are interested in the development of education, you can join the Workers' Educational Association for 7/6 a year. You have a course which is 21 lectures, a University course practically, and you can use the library as well, which is somewhat different from the Schools of Arts.

Q.—All of that for 7/6 a year?—Subsidised by the Government. In connection with the library we charge outsiders 10/ a year. If you join a class you get the library and class for 7/6, and if you only join the library it costs you 2/6 more. In other words, to encourage students.

Q.—What is the membership?—Our membership now is something about 1200.

Q.—Are they workers in the true sense of the word. Of course, we all reckon we are workers. Are they industrialists?—85 per cent. would be confined to what you are terming now the industrial movement. I do not know exactly what people mean by "workers." I think the majority of the people in the community are workers.

Q.—Yes, you say 85 per cent. of your members would be workers in trades?—Yes, what you would call near the industrial movement.

Q.—Then 85 per cent. of your members are helped by a protectionist tariff on other goods?—Yes, exactly, but I would like to point out that, however our ideas may be affected politically, in relation to the question of tariff reform and free trade, I would assert that, so far as we are concerned, we should all agree that there should be free trade as far as knowledge is concerned.

Q.—Would you say if any of your members are connected with the Printing Association?—Yes, our President is in the Printing Association.

BRISBANE—Robert Victor Smith

Q.—And are some of them members of the Printers' Union?—Yes, our President is a member of the Printers' Union. He was President of it for a number of years.

Q.—Is it the unanimous view of your members that you are expressing, do you think?—Yes, I am quite sure that it is, from the point of view of books. I may not be expressing the unanimous view of my members on tariff reform.

Q.—Do not think I am saying this in any sense of picking a hole in policy. We are only dealing with books, and all I want to know is whether unionists really consider that there is more advantage in cheap literature than there is in the limited advantage which would accrue from this duty, according to their view?—Yes, I think that would be the general opinion, from my knowledge of the trade union movement.

Q.—Then there is another point. You speak with a degree of certainty that this duty would mean additional costs?—Yes.

Q.—Is that a well-considered opinion?—Yes, let me take one or two books that are here. Take the book, "Elizabeth and Essex," which costs 19/. Under a tariff that would cost us somewhere about 25/. If you are going to keep up your standard—let me put it that way—obviously it is going to cost you a great deal more?—Given the subscriptions and the Government subsidy, we find at present that we are practically unable to meet the enormous demand that we have, and, if it is going to be increased, we are not going to be able to cater for the demand at all.

Q.—Have you any idea, in that 19/ book—we will keep to this book, "Elizabeth and Essex"—how much of that 19/ is expended in actually producing the book; that is, after the author is done with it?—I could not say that.

The Chairman.—Have you any idea, Mr. Barker?

Mr. Barker.—No, there is no rule as to what the author gets on these publications, but I should say that the man who wrote that commanded a fairly big royalty.

The Chairman.—It obviously would not cost anywhere like 19/ to print it?

Mr. Barker.—No. In a book of that standard I would think a large measure of the cost is due to royalty paid to the author.

The Chairman.—Supposing the manuscript of the book was handed to you, have you any idea what it would cost you to put it on the market?

Mr. Barker.—No; I have no idea.

The Chairman.—In the case of a book like that, it would admittedly be a protection on authorship if you based it on the selling price of the book. It would be more a protection on authorship than printing.

Mr. Barker.—Yes, that is so.

The Witness.—That is so, but there again is a point that I want to make. Australia at the present time is approximately about three months away from what you term the centre of culture—we will call it the centre of culture for our purposes—and the booksellers I have come in contact with inform me that they will not take the risk of bringing in books of this description unless they are established, so to speak. We have to find out from the literary periodicals the standard of a book, and then we have to send to England. If the tax is put on, the bookseller will not bring them in. Another six months elapses before Australia comes in contact with the leading knowledge of the world.

By the Chairman.—I think that could be overcome by agencies on the other side, probably?—It may be, but I have had a great deal of difficulty with some booksellers in getting them to bring in some things that I want, and if there is going to be a further handicap I will have a further difficulty.

By Mr. Berchdolt.—You mention that the State Government subsidises your Association, and then you say that what the State gives with one hand the Commonwealth proposes to take away. The Commonwealth is not proposing to take away anything; this is merely an application by certain citizens?—I see. Then, so far as that

BRISBANE—Robert Harold Crawford

statement is concerned, it is not worth the paper it is written on.

Mr. Berchdolt.—It is not right. I just wanted to point that out to you.

(The witness withdrew.)

ROBERT HAROLD CRAWFORD.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—Representing the Queensland Newsagents' Association, 27 Melbourne street, South Brisbane.

Q.—You are yourself a newsagent?—I am.

Q.—What proportion of Queensland newsagents is in the Association?—The membership at the present time runs from about 100 to 120—that is about one-eighth.

Q.—Is that subject to qualification in that the bigger agents are in it or out of it?—Oh, no, small and large are in it.

Q.—I notice your evidence covers fashion journals and books?—Not so much books, mainly periodicals, journals and fashion journals. My statement reads as follows:—

I, Robert Harold Crawford, of 27 Melbourne street, South Brisbane, newsagent, submit the following for consideration by the Tariff Board:—

1. That the Queensland Newsagents' Association is a voluntary Association of bona-fide newsagents, being vendors and distributors of daily and weekly newspapers and periodicals of every description, including fashion journals, magazines, comic papers, weekly journals, and Sunday journals.

2. That the Association is governed by rules and has as officers Messrs. Stephen James Rees, of Lutwyche road, Lutwyche, Brisbane (President); Mr. Robert Harold Crawford, of 27 Melbourne street, South Brisbane, newsagent (Acting Secretary); Mr. F. G. Jordan (Vice-President); Mr. W. Lawson (Treasurer), and a Committee of nine persons, in addition to the President, Vice-President and Treasurer.

3. That the Association considers it would be a national calamity if a tax of any nature were imposed upon imported periodicals, which are mostly of an instructive nature. In the opinion of the Association, and of me, any tax at all would have the effect of substantially reducing the circulation, particularly amongst working people, who constitute the bulk of the population of Queensland. Accordingly, it registers a strong protest against the imposition of any duty on imported periodicals.

4. In addition, it would do great injury to the business of the members of this Association, who are mostly men of small capital, working daily long hours in their own businesses.

5. At present it is estimated that there are approximately 850 newsagents in Queensland handling periodicals. It would be safe to say that an average of two adult persons at the least are employed in association with each business. In addition, there is a large number of youths coming from homes of poor people who find a measure of support by doing permanent or casual work in connection with the business of newsagents.

6. Whilst this Association does not wish to enter into details upon this question, it would appear to us that even if a high duty were imposed on imported periodicals no adequate substitute could be profitably produced in Australia or the periodicals wholly or in part prevented access. Our business is largely dependent upon the great variety in publications, suitable for all ages and tastes, and we consider it is only by sharing these publications with places of larger populations that they could be profitably produced. We think it would be impossible to produce with profit in Australia anything like the variety of reading matter now demanded for such a small market.

We believe that any tax which would in any way increase the price of periodicals would seriously reduce the circulation to the detriment of the public and of our businesses, without in any way giving any corresponding national advantage. The resultant falling off in circulation would necessitate the discharge of a number of our employees, and this would go to swell the already too great army of the unemployed. We are informed that the object of the proposed imposition of duty is to increase employment, but we are of opinion that it would have the opposite result.

Q.—What is the country of origin of the majority of the printed matter you handle?—Britain.

Q.—Is that in magazines and periodicals?—Magazines and periodicals, and fashion journals.

Q.—Separating fashion journals, take them first; are they mainly British?—Yes, mainly British.

Q.—Then, as to the remainder, periodicals and magazines; are they mainly British?—Yes, the biggest proportion is British. Of course, there is a proportion which is American.

Q.—You think it is not larger than the British?—No.

Q.—Are you handling any periodicals or magazines of Australian production at the moment?—Yes.

Q.—What proportion of your business is in Australian, as contrasted with imported?—Very small.

Q.—Would you like to guess at it, an estimate? Would it be 10 per cent.?—No, I do not think it would be 5 per cent.

Q.—It would not be 5 per cent.?—No.

Q.—Do you handle as much Australian as is on the market?—Everything practically Australian that is on the market.

(The witness withdrew.)

The Chairman.—Is there anyone else present who desires to tender evidence? (No response.) The inquiry stands adjourned to Sydney on Thursday, April 3, at 11.30 a.m.

SYDNEY

The Board met at the Commonwealth Bank Building, Martin place, Sydney, on Thursday, April 3, 1930, at 12.25 p.m.

Present.—Mr. H. McConaghy (Chairman), Mr. S. Berchdolt, Mr. H. E. Guy, and Mr. W. S. Kelly.

The Chairman.—The Board will proceed with the adjourned hearing of an inquiry into a request for increased duties on fashion plates and books and for duties on books n.e.i., and printed matter n.e.i. The applicant is the Combined Printing and Allied Trades Tariff Committee, 375 Kent street, Sydney. The existing tariff items are:—

Item 335, which provides that fashion plates and books shall be free in the British preferential and ad valorem rates of 5 per cent. and 10 per cent. in the intermediate and general tariff columns respectively. Item 339, books n.e.i. and printed matter n.e.i., are admitted free from all countries. In submitting the request of the applicant I will ignore all communications excepting an amended communication recently received, which reads as follows:—That the tariff schedule be amended as follows:—

	B.P.T.	I.T.	G.T.
Item 335—			
Fashion Plates and books, including the weight and value of containers, be dutiable on one printed colour at the rate of .. .. per lb.	1/	1/3	1/6
Or ad val.	45 p.c.	55 p.c.	65 p.c.
Plus 25 per cent. for each additional colour, whichever returns the higher duty.			

Item 339—			
Books and/or publications not carrying advertisement matter, viz., novels or works of fiction, or literature of a similar character .. ad val.	30 p.c.	40 p.c.	50 p.c.
Books and/or publications, viz., books on the application of science to industries of all kinds, including books on agriculture, horticulture, forestry, fish or fishing, mining, metallurgy, architecture, electric and other engineering, carpentry, shipbuilding, mechanism, dyeing, bleaching, tanning, weaving, and other mechanical arts and similar industrial books	Free	Free	Free
Books embossed or grooved cards for the blind, and books for the instruction of the deaf, dumb and blind, maps and charts for use in schools for the blind ..	Free	Free	Free
Books printed by any Government or any association for the promotion of science or letters, and official annual reports of religious or benevolent associations, and issued in the course of proceedings of the said associations to members, and not for the purpose of sale or trade	Free	Free	Free
Books not printed or reprinted in Australia which are included and used as textbooks in the curriculum of any university, college, or school in Australia, books specially imported for the bona-fide use of incorporated mechanics' institutes, public libraries of universities, colleges and schools or for the library of any incorporated medical, law, literary, scientific, or art association or society, and being the property of the organisation authorities of such library, and not in any case the property of individuals—the whole under regulations prescribed by the Minister for Customs	Free	Free	Free
Books of all kinds which have been printed or reprinted in Australia and then printed abroad .. .. ad val.	30 p.c.	40 p.c.	50 p.c.
Books, legal, dealing with Australian Commonwealth or State laws .. .. .. ad val.	45 p.c.	55 p.c.	65 p.c.
N.e.i., magazines and periodicals carrying advertising per lb.	1/	1/3	1/6
Or ad val.	45 p.c.	55 p.c.	65 p.c.
Plus 25 per cent. for each additional colour, whichever returns the higher duty.			

Printed matter of any kind enclosed in cases of imported merchandise and/or motor cars, cycles, or other machinery and not disclosed on shipping documents and/or invoices to be subject to a fine of £500 and the printed matter to be destroyed.

The "remainders" and "back date" books, periodicals and other publications sold for export at less than the original price by the publishers shall be dutiable at double the ordinary rates.

SYDNEY—James Howard Catts

That secondhand books, periodicals and newspapers for sale be prohibited on the grounds affecting printers and publishers, and additionally for reasons of health.

The Chairman.—Is there a representative of the applicant Committee present?

Mr. Catts.—Yes.

JAMES HOWARD CATTS.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—To represent the Combined Printing and Allied Trades' Tariff Committee, and my address is "Wembley House," Central square, Sydney.

Q.—Is that covering the whole of the Commonwealth?—No, New South Wales. The bodies that I appear to represent are the Australian Publishers' Federation of N.S.W., which represents fashion journals, paper patterns, syndicated newspaper features, and certain books, fiction, text and educational, and special subject publications, such as motor publications and such like, and trade publications; the N.S.W. Master Printers' Mutual Protective Association, representing magazines, catalogues, and general printing; N.S.W. Allied Printing Trades' Service Association, representing trade work, books, periodicals, catalogues, commercial printing, and the grouping of trades in the printing of the final product, linotype, bookbinding, and various subsidiary trades to printing in trade capacity; N.S.W. Master Process and Graders' Association, representing blockmakers and colour etchers; N..S.W. Master Stereotypers and Electrotypers' Association, representing all classes of metal and matrix reproduction; Linotypers' Association of N.S.W., representing trade linotype, monotype, ludlow, and all classes of mechanical composition; N.S.W. Bookbinders' Employers' Association, representing trade bookbinders, etc.; Printing Industry Employees' Union, representing general printing trade employees; Amalgamated Printing Employees' Trades' Union, representing machinists, bookbinders etc.; N.S.W. Printing Industry, which covers the whole of the working operatives in the printing industry, and the Craftsmen Association, which represents printing industry executives and foremen. I have prepared a statement, which reads as follows:—

On December 9, 1929, the Combined Tariff Committee above referred to circularised the various printing factories of Sydney, asking for their endorsement of our efforts to secure effective tariff protection for the printing industry and allied trades, and received 100 replies of endorsement.

We claim to represent the majority of printing factories of the metropolitan area of Sydney, as distinguished from printers who are partly printers and partly importers of printed matter, who assemble overseas printed matter in some form or other.

During the past six months deputations of the Combined Tariff Committee have waited upon the Minister for Customs and Comptroller-General of Customs on several occasions, preferring requests for protection of printing products.

Our proposals now vary a little, on account of a conference held on February 10 and 17 last, between representatives of the "Combined Printing and Allied Trades' Tariff Committee," and "The N.S.W. Master Printers and Connected Trades' Association," at the request of the latter body.

The N.S.W. master printers were represented by W. A. Crichton (Federal President), J. R. Firth (State President), H. L. Atkinson, B. Waite, and F. H. Kent.

The Combined Tariff Committee was represented by Messrs. J. H. Catts, A. A. Catts, E. J. Hyde, F. A. Randle and L. Baordman.

We submit our request in the form and terms agreed upon by this conference referred to as follows:—

	Suggested.		
	B.P.T.	I.T.	G.T.
Item 335—			
Fashion plates and books, including the weight and value			

of containers, be dutiable on one printed colour at the rate of .. .. ad val. per lb.	1/	1/3	1/6
Or ad val.	45 p.c.	55 p.c.	65 p.c.
Plus 25 per cent. for each additional colour, whichever returns the higher duty.			
Item 339—			
Books and/or publications not carrying advertisement matter, viz., novels or works of fiction, or literature of a similar character, ad val.	30 p.c.	40 p.c.	50 p.c.
Books and/or publications, viz., books on the application of science to industries of all kinds, including books on agriculture, horticulture, forestry, fish or fishing, mining, metallurgy, architecture, electric and other engineering, carpentry, shipbuilding, mechanism, dyeing, bleaching, tanning, weaving, and other mechanical arts, and similar industrial books	Free	Free	Free
Books embossed or grooved cards for the blind, and books for the instruction of the deaf, dumb and blind, maps and charts for use in schools for the blind	Free	Free	Free
Books printed by any Government or any association for the promotion of science or letters and official annual reports of religious or benevolent associations, and issued in the course of proceedings of the said associations to members, and not for the purpose of sale or trade	Free	Free	Free
Books not printed or reprinted in Australia, which are included and used as textbooks in the curriculum of any university, college, or school in Australia, books specially imported for the bona-fide use of incorporated mechanics' institutes, public libraries of universities, colleges, and schools or for the library of any incorporated medical, law, literary, scientific or art association or society, and being the property of the organisation authorities of such library, and not in any case the property of individuals—the whole under regulations prescribed by the Minister for Customs	Free	Free	Free
Books of all kinds which have been printed or reprinted in Australia, and then printed abroad .. .. ad val.	30 p.c.	40 p.c.	50 p.c.
Books, legal, dealing with Australian, Commonwealth or State laws .. .. ad val.	45 p.c.	55 p.c.	65 p.c.
N.e.i. magazines and periodicals carrying advertising, ad val. .. .. per lb.	1/	1/3	1/6
Or ad val.	45 p.c.	55 p.c.	65 p.c.
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Printed matter of any kind enclosed in cases of imported merchandise and/or motor cars, cycles, or other machinery and not disclosed on shipping documents and/or invoices to be subject to a fine of £500, and the printed matter to be destroyed.

The "remainders" and "back date" books, periodicals and other publications sold for export at less than the original price by the publishers shall be dutiable at double the ordinary rates.

That secondhand books, periodicals and newspapers for sale be prohibited on the grounds affecting printers and publishers, and additionally for reasons of health.

It will be observed from the liberal exemptions we have agreed upon, that the attacks made against us re tariff on books and other publications on the application of science to industry, educational textbooks, etc., have been misdirected.

In these exemptions we have met the bona-fide objections of the importing interests and representatives of overseas printers and publishers as far as possible.

A statement of the value of imports by the Customs Department under items 335 and 339 does not afford much light and leading, as they are based on the invoice value in country of origin, and, as these are so low, the total value of, say, £18,000 to £20,000 given in the case of fashion plates and fashion books does not give any indication of the deluge of competition the Australian product has to face on every one of the 3000 bookstalls and newsagencies throughout Australia.

In the case of books, the customs value of imports at about £1,300,000 per year is of little value, as it contains substantial quantities and values not proposed to be taxed for protective purposes.

The Witness (continuing).—The figures, I believe, are round about £13,000 or £15,000 under the heading of fashion plates and books, and about £1300 in the case of books and periodicals generally.

By the Chairman.—Yes, taking them over the last four recorded years, the figures on fashion plates and books are £16,500, £17,500, £12,600 and £13,000. That is in round figures. The figures on books printed, including music, periodicals and newspapers, are £1,330,000, £1,306,000, £1,386,000, and £1,292,000?—Yes, well under the heading of fashion plates, I think a great majority of the cases of competition against us, which are partly fashion books and partly having general periodical matter in them, must be classed under the general heading of books and periodicals.

Q.—You mean for statistical purposes?—Yes. I think under that heading it is impossible to put down a figure like £15,000 to cover what the trade look upon as fashion books. They may be issued primarily as fashion books, but they have a short story in the front, which runs to the back of the book, and in those cases I think they are probably looked on as periodicals.

Q.—In any case, I presume that the Customs Department, as the duties are nominal, for preference purposes only, they probably do not pay the same attention to valuations as they might do on higher duty goods?—Yes. My statement continues:—

The groupings of items by the Tariff Board for inquiry purposes has cut across that of the Combined Printing and Allied Trades' Tariff Committee, but, taking all imports of printed matter and allied paper products, we estimate that with proper tariff protection the imported matter which could and should be manufactured in Australia would amount to £6,000,000 value of manufactured products and provide additional work for 11,000 employees.

Some of the disadvantages under which the local product suffers are as follows:—

1. Raw material (printing paper), of which there is practically no local production.

Our overseas competitors buy in most cases direct from the paper mills, saving the profits of several intermediaries. At the present moment the local printer is paying all the usual charges, heavy exchanges, rates, plus 10 per cent., which the paper houses have lately imposed in anticipation of a super tax referred to in the press recently.

There is often 10 per cent. wastage on paper in cutting, trimming, and other handling. The local manufacturer has to pay freight, duty and other charges on the wastage, which the finished imported article is not subjected to.

2. We have to meet the lower producing costs of America, due to mass production, and less union regulation regarding piecework and quantity output, and, in connection with British competition, there is considerably less costly industrial conditions generally.
3. Our Factories Acts, Workmen's Compensation, child endowment, and general social legislation impose a very heavy burden upon local manufacturers when compared with our overseas competition.
4. A very serious handicap under which the producer of Australian fashion periodicals and various other periodicals, publications from Great Britain, is the combined selling arrangements of our competitors.

Distribution to selling agencies throughout Australasia is a virtual monopoly in the control of Messrs. Gordon and Gotch Ltd., whose headquarters are in London, a most efficient and honourable company. But the large capital and output of the British printing and publishing houses enables them, through Messrs. Gordon and Gotch Ltd., to prevail upon all local selling agencies to carry and display stocks and to carry out methods and propaganda for continual pushing of sales of overseas periodicals.

The small local selling agencies scattered over our continent—in every village and hamlet—dependent upon Messrs. Gordon and Gotch Ltd. for practically the whole of their supplies, are visibly influenced by the continuous push of the large overseas publishers expressed through the efficient organisation of Messrs. Gordon and Gotch Ltd.

Thus, at most newsagents and bookstalls, the display of imported periodicals altogether overshadows the local product.

Attached hereto, and marked with the letter "A," is a copy of circular recently issued by Messrs. Gordon and Gotch Ltd. to local agents, and is a sample of the continuous pressure to sell overseas fashion periodicals, which, it will be noted, "enjoy a phenomenal sale" in Australia. The local agents in many cases look upon these suggestions as a royal edict and feel that if a reasonable response is not made a new competing agency may arise in their centre and would more quickly act upon the promptings of the distributing monopoly at the capital centres.

Messrs. Gordon and Gotch Ltd. are always ready to co-operate with local producers by distributing the circulars of such local producer to retail agencies, but an intimation by Gordon and Gotch Ltd. themselves, direct to selling agents, acts with much more efficacy.

No complaint whatever is made or intended so far as Messrs. Gordon and Gotch Ltd. are concerned. The British publishing interests issue a great volume of matter through Messrs. Gordon and Gotch Ltd., and by reasons of this huge turnover, by selling co-operation, and immense financial resources, impose their will to sell their overseas production upon thousands of selling agencies throughout Australasia.

A very important factor of advantage to the overseas producer of fashion publications, which inflicts upon the Australian producer what is to all intents and purposes dumping in its most serious form, is the alternating of the seasons in the countries of the Northern and Southern Hemispheres.

Fashions are initiated in Paris. As the Bank of England is the world's financial centre, and controls international exchange, so is Paris the style centre of the world. The Parisian designers in advance determine the silhouette and the predominant features of the season's mode. From these basic designs and fashion

artists and designers the world over develop their creations and seek, without departing from the fundamental style outlines, to cater for and interpret popular fancy in their respective countries.

The fashion artists and designers of Britain and America, of Germany and Austria, as well as those of Australia, base their work upon the original silhouette of Paris. There is no fundamental originality in fashions anywhere but Paris, and, indeed, the general populace of France is catered for in a similar way to that of other countries—through the work of a legion of artists and designers developing practical service from the fixed essentials of the acknowledged Parisian style leaders.

The timing of style announcements for each season is coincident with the change of seasons in Paris, and, therefore, also in countries of similar latitude.

Thus the new styles are exploited for several months in the northern countries before the corresponding season arrives in Australia, and this country thus becomes a regular and permanent market for the surplus and left-over product in fashion productions and paper patterns.

There is no dearth of fashion artists in Australia and no real disadvantage would be suffered by the general public if every overseas publication relating to fashions were cut off at once. Australian capacity to handle the business would rapidly grasp the opportunity.

During the war there were many months at a stretch when the supply of overseas fashion publications was entirely cut off, and this enabled a few local productions to get a footing, but the deluge of overseas competition is now crippling Australian advancement.

Gordon and Gotch (Australasia) Ltd.,
Barrack and Clarence streets, Sydney.

Correspondence,
1627 BB, G.P.O.
Dear Sir,—

BESTWAY, LEACH'S AND WELDON'S SIXPENNY SERIES.

(Trade rate, 6/ doz.; retailing in Australia at 9d.)

These publications, as you know, enjoy a phenomenal sale, but we believe many thousands more could be sold if all agents followed the practice, as some do, of registering standing orders and receiving supplies regularly and promptly as they arrive from England.

The difficulty in placing standing orders lies in the fact that the series deals with many different subjects, some of greater selling value than others. To surmount this difficulty we have selected nine groups which, as near as can be anticipated, cover the subjects most likely to be available in the future.

If you will kindly fill in the quantities of each group required on standing order you will ensure regular and early supplies.

Standing Order.—

Group 1—Children's fashions, school outfits, etc.
Group 2—Babies' woolies, knitted frocks and suits, 2 to 4 years.
Group 3—House frocks, washing frocks, street frocks, etc.
Group 4—Sports jumpers, cardigans, etc.
Group 5—Lingerie, underwear, etc.
Group 6—Evening dresses, fancy dresses and bridal outfits.
Group 7—Embroidery, smocking and crochet.
Group 8—Raffia, beadings, and edgings, etc.
Group 9—Wireless.

.....Name
.....Address

There are approximately four of these series issued each month, so that a standing order of three each would not mean more than twelve a month, but discerning agents would probably require variations, and our experience suggests the following proportions:—

Group 1—Standing order, 6 copies.
Group 2—Standing order, 4 copies.
Group 3—Standing order, 6 copies.

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Group 4—Standing order, 2 copies.
Group 5—Standing order, 6 copies.
Group 6—Standing order, 4 copies.
Group 7—Standing order, 2 copies.
Group 8—Standing order, 2 copies.
Group 9—Standing order, 2 copies.

which, of course, might be doubled or halved, according to size of agency. Standing orders could be supplanted from time to time by securing extras from our stocks.

Gordon and Gotch (Australasia) Ltd.

There are popularly sold in Australia some 36 or more British periodicals dealing with fashions, and about half that number of American, while, probably, French, German and Australian may together account for about a dozen, with more restricted sales. The imported fashion periodicals sold from 2d. to 3d. upwards.

Samples of Australian, British and American fashion periodicals are tendered herewith as follow:—

Australian—Australian Home Budget.
Australian Home Budget Fashion Catalogue.
Australian Home Journal.
Australian Home Journal Catalogue.
Everylady's Journal.
Weigell's Journal.
The Woman's Budget.
The Mirror.
British—Weldon's Ladies' Journal.
Weldon's Girls in Their Teens.
Weldon's Dressmaker and Milliner.
Fashions for All.
Home Fashions.
Children's Dress.
Bestway Dance Frocks.
Maybe.
Coming Fashions.
Woman's Life.
Home Chat.
Modern.
Home Notes.
America—The Ladies' Home Journal.
Butterick's.
McCall's.
Pictorial Review.
Delineator.
Free Catalogues.
New Butterick's Fashions.
Pictorial Printed Patterns.
McCall Style News.

The above-mentioned fashion periodicals are almost wholly designed to propagate and sell paper patterns.

(The Board at 12.55 p.m. adjourned until 2.15 p.m.)

On resuming at 2.20 p.m.,

The Witness.—We were dealing with the list of publications which we put forward as fashion periodicals. These fashion periodicals are almost wholly designed to propagate and sell paper patterns. My statement continues:—

The Weldon Publications.—Fashions for all publications and Mabs have corresponding paper pattern factories in Australia, and are keen competitors with the wholly Australian paper pattern manufacturers; their fashion periodicals are openly and avowedly catalogues for the sale in Australia of locally-made paper patterns.

These are examples (produces sample). Those are the imported paper patterns, and these are the local article, but we will be dealing with those later. I would just like to show you that Weldon's print a cover which is an Australian edition. You will notice the illustration of fashions on the inside. They give free patterns and free transfers for a start.

By Mr. Berchdolt.—That is imported?—All imported. I am not sure; these may be inserted here now (indicating). I am not sure about that, but these are what we call the free patterns. This is the catalogue in the centre of the book, and right through it will be seen, "Weldon's patterns illustrated in this supplement. Australasian price, 1/, by post 1/3; transfers, Weldon's price, 6d., by post 7½d." They have a factory handy to the city and they are running these pattern services in the big stores in open competition with us.

By Mr. Kelly.—Portion of the Board has been hearing an inquiry on another subject which includes patterns. It was put up by the pattern-makers for protection as against patterns, and that is listed for future inquiry. Those who are interested to oppose that will presumably come to that inquiry. We are dealing with patterns altogether independent of fashion plates, under the manufacture of papers?—You will pardon me, but you cannot separate them entirely, because all of these fashion books are openly catalogues for the sale in Australia of paper patterns.

Q.—Quite so, but the man who is putting up the case seeking to have a duty on patterns put up similar periodicals to illustrate the same point. We do not want to hear the same case twice.—No. At the same time it is an essential part of the case for a proper protection against the periodicals. They are not what some people think they are technically. They are in effect catalogues. They are not in the proper sense of the term "periodicals." Anything else that goes in in the way of periodical matter is subsidiary to the sale of patterns. That is the point I want to make.

By the Chairman.—And to that extent it is relevant to this inquiry?—Yes, I do not want to go into the whole question of paper patterns now.

By Mr. Kelly.—We are hearing a request on paper patterns in which that evidence will be given?—Yes, I hope to appear on paper patterns here next week. In addition, most of these publications, of course, issued free patterns right down to the lowest priced thing. It issues this free set of paper patterns (indicating), and it is impossible successfully to compete against that in Australia under present conditions. These importing people have practically got the market.

Q.—If the application for a duty on patterns is successful, there will be no point in your advocacy?—Yes, there would.

Q.—You do not want the thing protected twice in two different ways?—Here is our pattern catalogue, which we have to pay Australian rates for (produced). Why should these other people, selling patterns in Australia, be able to get cheap stuff printed in Great Britain and America and swamp us out here with their catalogues?

By the Chairman.—I think the two things are quite distinct, in so far as the marketing of patterns is concerned, and the catalogue. The fact that there is one free sample given does not entirely connect the catalogues with the paper industry.

Mr. Kelly.—Possibly not, but the applicant in the other case thought it did.

The Chairman.—Whereas the witness produces only one in which there are only two or three free samples given away, there is quite a number of catalogue patterns for sale; that is, the periodical is used as a dissemination of information regarding other patterns?—It is a catalogue for the sale of stocks of patterns that are carried in the large stores; thousands of pounds worth. They are even in these (indicating), which you people would think, on looking at it, first of all was an ordinary reading magazine. Their main purpose is the sale of patterns, and not the sale of short stories, such as the "Delineator," the "Pictorial Review," and so on.

By Mr. Kelly.—I quite realise that. All I am saying is that has been put up under the plea for a protection on patterns?—We not only want protection on patterns, but we want the deluge of this country with all kinds of catalogues published overseas for the sale of these patterns in Australia stopped. We want them shut out. The main argument against these things is that they are catalogues; that they are not periodicals in the ordinary sense of the term at all.

By the Chairman.—Nothing in my colleague's remarks, I take it, is intended to limit your evidence on the publications at all. It would only limit your evidence in this inquiry as regards the actual patterns themselves?—Yes, I do not want to go into that. I am only referring to that incidentally. I would like to say that these leading publications, the "Ladies' Home Journal," for instance, cut my firm out of a very big order for patterns in Western Australia a few months back. They have large stocks of patterns in the stores, and every month these journals come out with the fashions and the numbers. You read about them and then go to the store and buy tho patterns.

By Mr. Berchdolt.—You would not say that the "Ladies' Home Journal" was merely a catalogue. Is it not more of a magazine than a catalogue?—I do not think so. It is issued by pattern manufacturers.

Q.—Issued by the "Saturday Evening Post"?—I do not think so.

Q.—Then that is a new one?—I do not know who does issue it, really. It may be issued by the "Saturday Evening Post."

By the Chairman.—I think it is quite competent for the witness to refer to the fact, in applying for a duty on these journals, that they are to a large extent cataloguing these patterns?—Yes, there are all sorts of gradations amongst them. That is not quite as much a catalogue as this (indicating).

By Mr. Berchdolt.—I think you are stretching it to call this a catalogue?—Well, as I say, that is probably the limit of them. The others are more so than this, but the point is that they do run large pattern services and put stocks in the stores running into £400 and £500 up to £1000 worth of paper patterns. I would like you to note that I am putting in our own catalogue, which shows a range of goods equal to anything that is imported.

By the Chairman.—That is entitled, "Fashions, 1930"?—Yes.

Q.—"Australian Home Budget" paper patterns—does this deal entirely with patterns made in Australia?—Yes, the artists' work and the blocks and everything in connection with it.

By Mr. Berchdolt.—I call that (indicating) a pattern catalogue?—That is exclusively a pattern catalogue. It is only for use on the counters of stores. Here are some more that these people issue (produced). These are issued free by the million. This is issued by Butterick's, "The New Butterick Fashions," issued every month. The price of 2d. is marked on it, but it is never sold. That is pure trade fiction to put a price on it. It is overprinted in order that it will be, I suppose, purely and simply a fashion plate or something. This free catalogue is issued in the same unlimited quantities from Farmers Ltd. and Anthony Hordern and Sons Ltd., and in the other large centres. That space (indicating) is left blank, and matters relating to the local firms are overprinted in Australia. You find these free catalogues available from containers near the lifts, with the invitation to "Please take one." As I say, they are in unlimited quantities.

By Mr. Berchdolt.—You would call those advertising matter?—They are catalogues of fashions. The fashions are in the racks in the store, and you see the one you like and go to the store counter and ask for that number.

Q.—It is the same as your catalogue, only smaller?—Yes, the same idea. They have big catalogues, and we have tried, in response to the stores, to issue the small ones, but it is impossible for us to do it at the price. This is the "Pictorial Review," which is issued in some of the big stores, such as Marcus Clark's Ltd., McCathies Ltd., and Grace Bros. They leave a blank space on the cover for the overprinting of the advertisement to the local store. In this one (indicating) there is "McCathies" overprinted on the back there, I suppose, to make it a fashion plate, and apparently it would be submitted to more duty if that printing were done before it got here. It is a pure subterfuge. This one is McCall's, which is issued in unlimited quantities for David Jones.

Q.—Is that printing done in Australia?—Yes, it is overprinted. In that case of David Jones, the top half comes out here blank, the same as in other cases. My statement continues:—

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These free catalogues are produced on large automatic printing presses, and when once the initial cost of getting the machines to work on production is overcome, the cost of turning them out may be calculated at pence per thousand.

It would be impossible in Australia to find an outlet for the gigantic issues of these free catalogues sufficient to justify the organisation of a plant of the needful proportions to compete on a price level with the American output.

Faced with the same kind of competition, very few Australian industries could live.

These pattern catalogues, issued to promote the sale of paper products in Australia, are direct competitors of our printing factories in the production of printed sales matter, and unless cheapness and overwhelming power to stifle local work is to be encouraged, they have no justification for issue in Australia at all.

The work involved in the production of these fashion periodicals and free fashion catalogues would, if the local market were made available to the Australian handicap, provide work for fashion artists, designers, writers, process engravers, stereotypers, printing trades, etc., and Australian capacity could quite easily take care of all Australian requirements. There is absolutely no justification whatever for any of this work to go out of Australia; the whole lot can be done here.

The organisations combined together as a Tariff Committee for the printing and allied trades after long and careful consideration came to the conclusion that adequate protection for local products could only be provided by the rates suggested, and, as the imposition of every colour on paper increases the work and value thereof, it was necessary to follow the multiplication of processes on the same paper by a levy based on the number of colours appearing on the finished article.

Books.

We do not at present ask for a duty on—

(a) Books and magazines on the application of science to industry.
(b) Embossed books or grooved cards or maps or charts used in teaching the deaf, dumb and for the blind.
(c) Books printed by any Government or association for promotion of science or letters, or certain official religious or benevolent publications.
(d) Educational books prescribed under regulations by the Minister for Customs.

The exemptions we suggest under (a) and (d) are very widespread. and, considering the capacity of Australian industry and the urgent need for employment, this is the limit which should be conceded to the importing interests.

The Federal Government proposes to grant a bonus of £4 per ton on the production of paper in Australia. This industry cannot be developed unless the use of paper is encouraged.

There is a protective duty on strawboard and on glue, also on thread, ink and metal, and all main accessory materials used in book production of from 15 per cent. to 45 per cent. All the items mentioned are now employing Australians in factory production.

In addition to the extra costs imposed upon Australian printing trades, which our overseas competitors have not to bear, in relation to our social legislation and trade union regulations mentioned in connection with the fashion magazines, the printing of books involves the use of materials produced by Australian factories under our protective system.

It is difficult to understand on what basis of equity protection should be denied to the products of printing trades to compensate for the economic burden imposed by these considerations as against overseas rivals.

Furthermore, there are many evidences of dumping in regard to books. Bound books at 3 for 1/ are being

sold in some of the stores in Sydney and Melbourne that could not be produced anywhere in the world at that price. It is impossible to obtain the benefits of our anti-dumping legislation unless some measure of protective tariff is in operation in relation to the article.

Prior to tariff protection on account books, diaries, exercise books, stationery, etc., it was boldly urged that these lines could not be economically produced in Australia. Now these goods are being largely made here at favourable prices, and not only have local firms turned their attention thereto, but British houses, such as John Dickinson and Sons Ltd. and Collins Bros. and Co. Ltd., have opened up factories in Australia.

Australia can produce books as well as any country in the world; the Government printing offices in the various States, as well as at Canberra, are great book-producing institutions.

Samples are produced herewith of bound volumes, historical records of Australia and reports of Parliamentary debates, which are good examples of book production.

I want to make the point that, apart altogether from the question of writers, authors, and editorial preparation of the reading matter, so far as the craftsmanship and the setting of it is concerned, I do not think it can be disputed. Australia can do this class of work at present as well as it can be done anywhere else in the world.

By Mr. Guy.—Are they paying very much more for it?—We are paying higher rates for all of the articles I have mentioned. We do pay higher rates than Great Britain, but in America there is not the same limit of output, and the American workman makes up very largely for his higher wages by his increased output.

A sample is produced of what is known as the Canberra Series—"The Small Dark Man"—type of bound novel sold at 6/, which is the equal of anything printed elsewhere at the price. The novel was printed and published in Australia on a royalty basis and then sold at 6/ retail. The American price is 10/, and the British price is 7/6. It will be seen that this book is now in its fourth edition of 2000 each, although the first edition was only published last October.

By Mr. Kelly.—I suppose you have not samples of comparable volumes selling at 10/ and 7/6?—No, I produce a sample showing the Parliamentary debates as bound. I am assuming there is no dispute as to the craftsmanship.

By the Chairman.—I think that is probably the line that could be least questioned?—Yes. My statement continues:—

I have other examples of difficult setting—algebra, geometry, and arithmetic, numerical trigonometry, and Latin—produced by Australian craftsmen.

Q.—They are published by Australian authors, and if you look at the settings you will find they are most complicated and difficult settings. They were previously done in Dublin, but now the Australian rights have been secured they have for some time been printed in Australia. My statement continues:—

Samples of these educational books are produced herewith as follows:—

(a) Arithmetic for second, third and fifth standards, by the Christian Brothers. These were formerly printed in Dublin, but the Australian rights have been secured, and they are now printed in this country, and are being sold cheaper than when imported. Attention is drawn to the linotype setting.

(b) Fourth Reader and Fifth Reader samples, one printed in Dublin sold in Australia at 2/9, and the same book printed in Australia and sold at 2/6.

(c) A first course in algebra, part 1, by J. P. Chard, B.A. This is compiled and printed in Australia and adopted by the N.S.W. Department of Education. This is a good example of difficult type setting.

(d) Parts 1, 2 and 3 of first course in geometry and numerical trigonometry, by J. P. Chard, B.A. These books have been compiled and produced in Australia, and, although not yet officially adopted, are said to meet all requirements and to be equal to anything of the kind produced elsewhere. It is stated on good authority that the representatives of Hall and Stevens, London, obtained orders last year in Australia for 140,000 copies of the English books, which these Australian productions were designed to challenge, for the Australian market.

All of these books require skilful setting, but part 2 contains pages of tabulated matter to which attention is directed.

(e) "Elements of Poetry," by two Australian authors, and used by the Christian Brothers' schools throughout Australia and New Zealand. This work is being used in lieu of "Stables Bond of Poetry." This was the work of an Australian printed in London.

(f) "A Handbook of Intermediate English," by George Mackaness, B.A., and Sidney A. Lenehan, is in general use in the educational establishments of Australia.

(g) "Latin Revision Tests," by H. O. Craddock, M.A., Inspector of Secondary Schools, has been adopted by the Education Department of N.S.W.

By Mr. Berchdolt.—Why did they get those orders referred to in paragraph (d); because the schools specified them?—Because they were then adopted for use in the schools. Some of them have not yet been adopted, but probably, following on the work of Mr. Chard, they will be adopted.

Q.—You could not blame the schools if they were specified?—No; what we say is that if some encouragement is given to local production more of this work will be done in Australia. My statement continues:—

These samples of educational works by Australian authors and produced in Australia could be added to by large numbers of others.

An instance of overseas tactics in regard to the Australian market is provided by two books, "Anne of Green Gables" and "Anne of Avonlea," and several others of the same series; six in all. An Australian firm of printers and publishers secured the Australian rights from America in 1923, and have been producing ever since. These were sold at 2/4 wholesale, retail 3/6.

Now England has obtained the rights, as well as Australia, and are landing this series in Australia at 1/9 wholesale, and a window full may be seen now on view at the Methodist Bookstall; the retail price is still 3/6.

In this case the local producer has built up demand and popularised the sale of these books, now to be seriously undercut by importations.

Do not cases such as these require tariff protection?

Attached hereto are lists of Canberra Series of 6/ books, of which "The Small Dark Man," produced by Maurice Walsh, is a sample of get-up and quality. It is attached to the cover of "The Small Dark Man."

On the same printed annexure are shown lists of the Bell Bird and Platypus series for boys and girls, which altogether have met with a popular response on the local market.

The output from the Eagle Press Ltd., Sydney, and its successors of books during the last seven years has accounted for nearly 3,000,000 copies.

This splendid factory is now almost at a standstill, while the work it is organised to produce is supplied by overseas craftsmen, which our Australian tariff policy keeps in employment, whilst our own people are idle.

Australian Encyclopaedia, Volumes 1 and 2.—This great work was edited by Australian authors and printed and bound by Australian craftsmen. These are produced to bring forward the testimony of one of the greatest publishing firms in the world, namely, Messrs. Funk and Wagnalls Co., New York. Here is a letter published broadcast testifying to the high standard of Australian printers and allied trades:—

Editorial Rooms of Funk and Wagnalls,
New Standard Dictionary of the English Language,
Managing Editor's Room, New York.
Publishing House of Funk and Wagnalls Co.,
354-360 Fourth avenue, New York.
Mr. George Robertson,
C/o Messrs. Angus and Robertson Ltd.,
85-90 Castlereagh street, Sydney, N.S.W., Aus.

Dear Mr. Robertson,—

Your gracious gift of the first volume of the "Australian Encyclopaedia," which has just reached our hands, is very much appreciated by our general manager and treasurer, Mr. Robert J. Cuddihy, who has asked me on his behalf to acknowledge its receipt and to thank you for the kind thought that prompted you to send it to us for the use of our editorial staff.

Naturally, as the man in charge of our reference books, the volume has been handed to me to place in my library, and I welcome it, as I shall the remaining volumes to our shelves. You have produced a masterpiece, one that will prove a monument to your firm and mark a distinct era in the development of Australian literature. For years the world has been sadly in need of such a work. Therefore, let me offer you my cordial congratulations in having supplied a long-felt want.

The format of your book commends itself highly to me as a practical bookman, and I have been in the publishing business for close on 45 years. The type chosen could not have been improved, the half-tones in black and white have been reproduced with exceptional care, and their presswork is excellent. If you ask me to particularise, I cannot take a finer example of black and white half-tone work than that which you show on plate 21, which faces page 736 of your text. The remarkable result that you have obtained in printing plates 22 and 23 back to back without either affecting the other is a triumph of the printer's art, for it is seldom that one can get so complete a black as you have succeeded in getting on plate 23 without it penetrating through and affecting the preceding plate.

And now a word or two on your colour work. Your plates of chats and finches are veritable works of art, amazing in the brilliancy of their colouring and the perfection of their register. The double-page plates of algae, beetles, butterflies, moths, and insects are marvellous examples of scientific accuracy and colouring, while your plates of fishes, birds' eggs, lizards, snakes and frogs measure up to the high standard that you established for yourselves when you undertook this magnum opus.

Turning to the text, let me say in general that you have contributed a monument in Australian biography that will be of immense value to all historians. Many of the biographies read like romance. The articles on "Chronology" and "Explorations by Land and Sea" are such that they must commend themselves to every student of Australian history, while every scientist will find your contributions on geology and minerals invaluable helps in the further development of these sciences. This may sound fulsome praise, but it is well merited, for, my dear sir, it is the ripe judgment of a man who, since 1882, has been concerned with the making of books, the man who produced "The Jewish Encyclopaedia" in 12 volumes, "The New Encyclopaedia" in 40 volumes, the "New Standard Dictionary," and all of its abridgments, and more than 500 other books on almost every walk in life.

The spontaneous enthusiasm that your great work has awakened in me is shared by everyone here, and not the least by your old friend, Mr. L. Knight, the head of our foreign department here, through whose kindness your letter and volume were referred to me. We wish you every success, and once again extend our cordial congratulations.—Very faithfully yours,

Frank H. Vizetelly, Editor.

I am here to say for you and on behalf of Australian printing craftsmen and the allied trades, artists, blockmakers and the rest that they can undertake to produce at as high a standard of quality the whole of the imported printed matter coming into Australia, of every type and description, whether plain or illustrated, and they are in need of additional work; that large numbers of their skilled craftsmen are unemployed, and to request in their name that the administrative capacity of Government, expressed through Boards and Ministers, shall evolve measures of policy as a matter of urgency to transfer Australia's market for printing products from overseas countries to our own.

Periodicals.

The general handicaps of our social legislation apply equally to periodicals generally as to fashion periodicals and books.

We class any periodicals as a fashion periodical which encloses free paper patterns, transfers, or other similar product, or which contains a fashion section calculated to promote the sale of paper patterns, as well as those which are exclusively illustrations of fashions.

The enormous quantities of imported periodicals which bespatter our bookstalls throughout Australia would take considerable time and attention to analyse. When reference is made to periodicals there is visualised some prominent publication of Great Britain or America, with an international reputation. But these are the very small minority of importations.

There are thousands of tons of weekly and monthly publications, such as short story prints, weeklies for boys and girls, comics, and every class and description of reading matter. These offer no difficulty in producing locally, either in regard to preparation of the reading matter and illustrations or the printing and distribution.

The coloured supplements of the Sunday daily papers of Australia containing comic sections are an example of local capacity to turn out illustrated comic matter in variety and at low cost; all that is wanted to have this work done in Australia, giving work to writers and artists, process engravers and the direct printing trades, is the conservation of the Australian market for the local product. I do not think it is necessary to do more than produce specimens of the supplements to the Sunday newspapers.

In referring to local artists and illustrators, I submit a statement by a member of our Combined Tariff Committee, Mr. Sydney Ure Smith, President Australian Society of Artists, and Trustee National Art Gallery of N.S.W., as follows: —

Employment of Artists, etc.

"There are numerous cases of young artists who are well trained at art schools in Sydney (and probably in Melbourne), certainly in Adelaide, who, when they are ready to emerge, completely trained from the art school, cannot find sufficient work to earn a living, except as commercial artists. At present there are insufficient journals in Australia to support good illustrators, and very few books are illustrated. If we had some form of protection, we should be able to compete with imported publications, whether they are books or journals.

"For years past I have examined work by young artists, whose work is capable and of a high standard as illustrators, and one can only tell them the same story, i.e., that they must do commercial work or try to get some other occupation. Children's books, written and illustrated by Australians, which cannot compete at present with the cheaply produced works from abroad, calendars, prints, booklets, etc., could all be carried out excellently by Australians.

"There would be no fear of well produced books in Australia falling below the standard of high-class books from abroad. Numerous letters have been received from

most competent artists, writers and public men abroad stating that the books and productions issued by Art in Australia Ltd., and some other firms are equal to the best works abroad.

"Writers, artists, blockmakers and printers would, no doubt, all have better opportunities for work under adequate protection, and the important industry of printing in Australia would certainly progress enormously.

"Local publishers would be in a better position to encourage the work of local writers and artists, and a great deal of the books now imported would undoubtedly be produced in Australia, and certainly would help to provide work for a large number of people."

(Signed) SYDNEY URE SMITH.

Left Over and Back Date Periodicals and Books.

This item constitutes a very serious menace to the trade in Australia. Various concerns in both England and America deal in left overs, buying at job rates from publishers, and in turn jobbing out to the trade in Australia, and presumably elsewhere. The price at which these are sold is definitely injurious. Periodicals priced at from 6d. to 1/ being sold at three and four and more for 1/, killing the sale, more or less, of the current publications.

This applies, too, in a large measure to books, these remainders being bought so cheaply as to badly undercut the ordinary trade.

There is also the trade in what is called "cheaps," or libraries, that is, books or fiction sold at a low price. To-day, a big line is on sale at various houses at 7½d. per copy, books that are sewn and stiff covered, and in Melbourne they can be bought at 4½d., or three for 1/. These lines were never produced at anything like the price, and do immeasurable damage to legitimate business.

Secondhand Publications.

There is a further very serious aspect of this trade for Australia. It is estimated that one American exporter to this country of back date periodicals is sending upwards of 100,000 copies per month to Australia, and the main source of his supplies is the hotel porter, apartment janitors, railway porters, and others of like ilk, who collect from various sources after more or less use has been made of the publication. In other words, 100,000 periodicals per month come to Australia that ought to go to the garbage tip, and could be full of any disease under the sun.

Our figures have been arrived at after consultation with Messrs. Gordon and Gotch Ltd., and they are sure 100,000 per month is not an exaggeration.

We present herewith copy of circular issued in Melbourne by W. M. Kavanagh, indentor and importer, who deals in left-overs, remainders and secondhand books, periodicals, etc. With this circular is a price-list of the publications in question.

By Mr. Berchdolt.—In regard to this catalogue of Kavanagh, were the new copies originally exported to Australia and sold when they arrived?—I cannot say that.

Q.—You do not know that?—I cannot say reasonably; some of them would be; I am sure some of them were. The English catalogue shows a good number that I recognise.

We also attach catalogues of new book remainders, cloth and paper bound novels, toy books, miscellaneous, fiction, music, picture postcards, etc., by C. A. Ransom and Co., 28 Paternoster row, London.

From an examination of these catalogues, the lines quoted showing standard retail prices, with the cut wholesale rates of these jobbing merchants, it will be seen how extensive is the range of competition covered by this class of trade.

Our Combined Printing and Allied Trades' Tariff Committee have given long and earnest consideration to the tariff protection necessary to enable Australia to do the work involved in large importations of printed matter involving no serious obstacles to the local manufacturer on an economic basis.

From the large and varied importations involved, it serves no good purpose to pick out some isolated case presenting special peculiarities in order to disparage the case for local production.

The local distributors of imported matter, no doubt, make good profits out of imports, and there would also be, no doubt, some little business disturbance in switching over from overseas to locally-produced lines, but this is unavoidable.

But, while the importers are opposing local manufacture, the suggestion of tariff protection is influencing overseas producers who are now and have been for some time diligently exploring the possibilities of arranging by the sale of rights, royalties, and even local printing, to transfer their productions to Australian factories. That is now proceeding.

We ask for the adequate tariff protection we propose, and if further exemptions than those we suggest should be considered desirable we think an Industry Board should be constituted, representing exclusively Australian manufacturing interests, both employers and employees, to advise the Minister, after an examination of applications for exemption on their merits.

What we mean is this, that if a Board is constituted to represent the manufacturing interests it ought to be seen that the representation is effective, that is, representative of factories and not of firms who are part factories and part importers, so that there would be no doubt the manufacturing interests would be represented on a Board of that kind. So that we ask that the employees and manufacturers should be representative of bona-fide manufacturing concerns. I might say that I am at a disadvantage, as my brother, who has taken a very large and active part in this matter, had arranged to go to London, and had to go before this Board sat; also a very important witness, who knows the whole business from A to Z, unfortunately is prevented from coming along owing to something that has occurred in the business, although he was with us up to the end of last year in our deputations to the Minister. Something in connection with the business has stopped him taking any further action in regard to getting protection for the local industry. I am, therefore, deprived of his assistance in presenting the case in regard to books with which he is very familiar.

By the Chairman.—Is he likely to be appearing on the contra side?—I do not think so.

Q.—On the practicability of the administration of these items, have you any knowledge as to whether similar wordings appear in other tariffs?—No.

Q.—We might deal with the items seriatim. Take the first item, "Fashion plates and books, including the weight and value of containers." Is it usual for those lines to be invoiced by weight or by numbers?—By numbers.

Q.—You think there would be no great difficulty in having the invoice price showing the numbers. Whereas there certainly would be no difficulty in weighing them here, if the goods had all to be opened up entirely it may present difficulties, that is to say, if every shipment had to be opened up?—Of course, our object is to get effective protection. It may be some very high qualities of paper weigh very light, and you may get two or three colours on a very light paper. It may be in some cases if you tax them by numbers that they would escape. What we want to provide for is that, if they escape one way, they will be caught the other way.

Q.—Taking that publication that we looked at, "Weldon's Home Journal," have you any idea of its weight?

Mr. Berchdolt.—The weight varies.

The Witness.—That would be something over one pound.

By the Chairman.—Do you know how many colours there are in it?—There are at least three. We are only concerned with a duty which is only high enough to keep them out. A duty that only makes them pay and produce revenue and still allows them to come in does not appeal to us at all.

By Mr. Berchdolt.—You want an embargo, in fact?—Yes.

Q.—The duties are designed to be absolutely prohibitive?—Yes.

By the Chairman.—What would this "Ladies' Home Journal" sell at in Australia. I notice it is priced at 10 cents in America?—I paid 6d. for that copy; I think it is 9d. on the stalls; there may be a variation in price; I do not know.

Q.—The duty on that would be 1/6 if it paid the fixed rate under your proposal?—Yes.

Q.—You admit the duties are meant to be prohibitive?—Yes. You might pick up one case where that would occur, and there might be other cases where it would not occur.

Q.—From that point of view, if your suggestions were adopted the difficulties of the Customs Department would be minimised because the imports would be very materially reduced?—Yes. There is another point I want to mention, that is, the advertising in those publications. There is advertising in those journals, and the bulk of the lines advertised in "Weldon's Journal" are lines that are suitable to Australian purposes; therefore, "Weldon's Journal" is a competitor with Australian publications as an advertising medium for the sale of all sorts of products.

Q.—That would not apply with a lot of magazines; they would contain advertisements for the country where they are printed?—Yes. But it applies to a lot of American journals that are sold in Australia; they appeal to women, the advertisements.

Q.—Coming to your next item, "Books and/or publications not carrying advertising matter." Then there will be the other side, "Books and/or publications carrying advertising matter." To what extent do you mean your phrase, "carrying advertising matter," to govern. For instance, in that book you produced to us there is a list of other books, that is obviously advertising, and in very many publications there are similar lists of books by the same author, or by the same publisher?—There is a whole range of books listed on the back of that cover.

Q.—Would you class that as advertising matter for the purposes of your item 339?—Yes.

By Mr. Kelly.—Then it would apply to every book?—In that case they would send the book quite separately from the cover, no doubt.

By Mr. Berchdolt.—Supposing they printed an advertisement on the back page of the book, as is very often done, what would you call that, an advertisement?—We do not look upon these books as carrying advertising matter in the ordinary sense.

Q.—But the question is whether the customs would do so?—Yes.

By the Chairman.—Are you willing to say, for the purpose of defining your items, advertising in a novel of other novels is not an advertisement?—Yes, we were thinking of other products—general products.

Q.—In the matter of books or publications in your next item, "Books on the application of science to industry," would you not anticipate any difficulty in the description and identification of those books? I take it, to some extent, that those exemptions have been drawn up with a view of relieving the opposition?—Yes. I might say that that definition was drawn up by the N.S.W. Master Printers' Association, and our Tariff Committee had some definition to cover cases of the kind, which was more general than this, but the Committee thought it better to adopt the phrasing that the master printers had adopted.

Q.—On the look of it, it does not seem to present very great difficulties, and I think the same may be said of the next item, dealing with the deaf, dumb, and blind, and probably the next item, that is, "books printed by any Government or association." Then, take the next item, "books not printed or reprinted in Australia which are included and used as textbooks." I suppose, in putting that up, you were perfectly aware that would mean discrimination in the same book imported for one purpose and imported for another purpose, that is to say, that the book set in the universities and colleges include ordinary novels very frequently and ordinary classics?—We do recognise there is very great difficulty in administering that, but, on the other hand, when such reprints are Australian production by educational authorities we say something must be done to give them encouragement and protection, and to give the craftsmen producing them some protection also. There are some cases where oversea textbooks have been previously in use, and in general use, whilst on the other hand I produce some samples to you to-day of an Australian book produced in Australia, then it is challenged by an overseas article, and has to go before the educational authorities. We do not want to cut across that in the ordinary course. If it is necessary for educational purposes, we do not want to do anything to harm or interfere with it, but when it gets to the point of being an Australian-produced book we think something should be done.

Q.—You think the admission under regulation prescribed by the Minister would cover those particular cases?—Yes.

By the Chairman.—It would not cover the inherent difficulty of administration, inasmuch as any bookseller you like to name could order a thousand copies of a book and might sell a hundred of them for this purpose and 900 for other purposes?—We cannot think of that in the case of textbooks.

Q.—No, but there is a tremendous number of books which are not textbooks. I should say that probably 50 books of fiction a year are set by the University?—We have put down here, "and used as textbooks."

By Mr. Guy.—They must be imported for that purpose?—Yes.

The Chairman.—The point is whether you can follow the goods after they are released from the customs, or any other goods, generally speaking. The Customs Department admit that printing paper, which is a line you know, particularly ordinary news printing paper, can be sold for butchers' wrapping or for any other purpose once it has been cleared through the customs. That illustrates, perhaps, immediately what I mean in regard to books which would be imported in large numbers or in comparatively small numbers for a particular purpose?—We are not proposing to give any special exemption if a book is in current use, and is a popularly read book; those books would be dutiable under our proposal in regard to fiction.

Q.—Then you are not giving anything away to educational cheapness or the desire for educational cheapness?—We are in essential things, but if you say it is a novel which is to be used for some educational purpose, just spasmodically, in the same way as an article in the Sydney "Morning Herald" would be used, I do not think it should be included.

Q.—Probably we will learn more of that from the opposition. The next item is "books of all kinds which have been printed or reprinted in Australia and then printed abroad." Would it be evident on the face of the goods that that book was printed or reprinted in Australia? The omission of that would be comparatively simple?—Yes, but we should have a direction that it should be stated on the book. At the present moment printed matter that comes in must bear the name of the country of origin, where it is printed, on it. I should say there should be a regulation that it should say that it had been previously printed in Australia.

Q.—I should say, if you had 90 per cent. of honest book importers, there would be a terrible temptation for someone to evade the duty?—Perhaps so.

Q.—To the serious detriment of the honest importer and the customs?—Yes, but there are people watching out for those evasions to bring them into notice. They try to do it with periodicals, but they are held up and very often the periodicals are sent to some local printer to have the printer print on them, "Printed in Germany" or elsewhere before they are released.

Q.—Those policing the business in their own interests, looking for those evasions, if they found them, do you think it would be possible to trace the materials back to the importer?—I think so.

Q.—If it amounted to this, of you had to open every shipment which arrived and check it, check each book to

see which had been printed or reprinted in Australia, then I foresee tremendous difficulty?—We are in exactly the same position now under the regulations as to printed matter coming in. It must bear on the face of it where it has been printed; plenty of them try to evade that.

Q.—That is a different matter. I mean the effects of evasion of that are so different from the effects of the evasion of your proposal, they are so different as to make an inducement or an enticement to evade the law. The enticement would be much less at present than if there were a 50 per cent. duty to be paid. If there were, I should think there would be quite a reasonable enticement to some people to merge 25 per cent. of those books in with 75 per cent. other books and make detection almost impossible?—If you had educational books which had once been printed in Australia, and then it was found they could be more cheaply printed somewhere else and they were sent overseas to be reprinted, we say that the duty ought to be put on them.

Q.—We can look into that matter.—We do not think there would be very great difficulty in the administration of it.

Q.—Would you tell us the reason of your extreme severity on the legal profession. You want a duty of 45, 55 and 65 per cent. on legal books and books dealing with Australian Commonwealth or State laws. You propose 30, 40 and 50 per cent. on other books. The reason for books dealing with Commonwealth or State laws is obvious, but why the higher rates on the other legal books?—I cannot tell you. We went along as a Committee, dealing with these items, and there was a conflict of opinion on various things, and after fighting the matter out, then some of us would say, this ought to go down under so and so, and it went down that way. So long as we think the duty is high enough to give effective protection we are not concerned about anything below that.

Q.—Taking it now from the point of view of setting up and binding, and producing generally, is there any reason why they should be differentiated as against other books?—No, I do not think so.

Q.—Take the next item, "magazines and periodicals carrying advertising." Have you ever met a magazine or periodical that did not carry advertising?—Yes, I have, but not many. I think "The Round Table," to the best of my belief, does not carry advertising.

By Mr. Berchdolt.—There are a few that do not?—Yes.

By the Chairman.—You do not mean to make any exception with regard to that advertising characteristic if the advertisements are clearly not primarily intended for Australian use?—No, because we believe in the English speaking magazines that the products advertised are to a large extent in universal use in the English speaking countries.

Q.—If those magazines do not carry advertising, where would they come in in your group?—They would come in under the first item of 339.

Q.—What would be the average weight of the magazine covered by this item?—It would be impossible to get the average weight, the variation is so great.

Q.—Do you admit that you have put the rate so high as to be intentionally prohibitive?—Yes, we think this work can be done in Australia.

Q.—I might mention, as regards the next item, "printed matter of any kind enclosed in cases of imported merchandise, etc.," to be subject to a fine of £500 and the printed matter to be destroyed, I do not think that is a matter connected with the fiscal issue; that is a matter of penalties for documents not invoiced. I think that is rather outside the scope of the inquiry. I think, as a matter of fact, in extraordinary instances that forfeiture is now insisted upon, but I have no doubt at all that if considerably high duties are placed upon publications the Customs Department will take steps under the ordinary law to provide against invasions of that sort. I do not think it can be dealt with in this inquiry; that is my view.

Mr. Berchdolt.—You might eliminate that paragraph?—Yes, probably; I think it would come in better with the catalogues.

By the Chairman.—In regard to the "remainders," and "back date books," is there any possible way of identifying those who are hurt by the importation?—I do not think so, unless the importers were compelled to produce a declaration as to his costs.

Q.—I think that is a very important feature in connection with the proposals for duty, that is, to see if they are practicable and workable. It does not matter how justifiable the intention or how reasonable the aim may be, if a thing will not work in practice it is scarcely worth putting it into operation?—There must be some means of dealing with the swamping of Australia with secondhand stuff.

Q.—Secondhand, I think, is different from the remainders and back-date books. They are new goods, I take it?—They are left-overs.

Q.—They are new goods and not subject to the same objections as secondhands?—No.

By Mr. Berchdolt.—They are simply sold cheaper?—Yes, but why is it possible to make a dumping ground of Australia of a large amount of this matter?

Q.—Are the rates of duty you suggest not high enough to block these without doubling the ordinary rates?—I do not know, but we want the principle adopted.

Q.—You would suggest in that connection that every importer declare with his entry that the invoice covered no goods which were remainders or back-date books?—Yes, or that they are remainders and back-date books. You do not know what price they will be put in at.

By Mr. Kelly.—That means a man could not get a repeat order for anything without paying double?—I do not think that would be so.

Q.—A repeat order would be a back date?—It would not be a back date, if it was in current sale.

Q.—What is current sale—That is, if it is a new edition.

Q.—It would be a back date, even if it were a new edition. A new edition may be quite a number of years back?—It is quite easy to locate a book, but the periodicals it is not so easy to cover.

By the Chairman.—It is comparatively simple to identify a periodical, but impossible with books?—It looks more difficult with books.

Q.—Then we come to your next item, secondhand books, periodicals, and newspapers for sale, be prohibited on the grounds affecting printers and publishers and additionally for reasons of health." Have any representations been made up to the present to the Health Department?—I saw the Minister for Health about it when we had our last deputation to Canberra, and he did not see how he could take action under the Health Act, and thought it was a matter for the Customs Department. He agreed he ought to act, but he did not see how he could act under the Act, unless it could be proved that they were disease carriers.

Q.—I do not want to traverse the opinion of the Hon. the Minister, but I would say this, that the procedure is for the Health Department to say what should be done, and for the Customs to act as agent for the Health Department in doing it. It is certainly not a matter for the Customs Department to say whether a thing is healthy or unhealthy. The Health Department has no organisation to block these things at the wharf, but the Customs would be acting under their instructions, and would hold them up for inspection?—We think there should be something to stop it.

Q.—You assume they are unhealthy, and it would be difficult to prove actual disease or to trace actual disease to any such importation?—We want to stop it for economic reasons, mainly.

Q.—I would like to get your views on another phase, assuming for the moment that these duties were actually put into operation, what do you consider would be the procedure, firstly, in regard to these fashion plates, of which large numbers are now printed elsewhere, and have a market in all the Australian States, cities and towns. Would they continue to publish in Australia, or would they absolutely die out as regards Australian circulation?—I think some of them would set up factories in Australia.

By Mr. Berchdolt.—Such as McCall's, Butterick's, and those people?—I do not think McCall's and Butterick's would, but I think in regard to that they would have an arrangement with Australian firms for handling their Australian business. I am speaking now with some knowledge of what is going on.

Q.—Weldon's are all right; they are printing them here?—No, they are making patterns here, but the printing is done in England, and probably, with more assured sales, Weldon's would arrange for the printing of their books here.

By the Chairman.—There would be more urge for them to become more wholly Australian than other, perhaps?—No doubt they are developing along those lines; if their pattern books do develop in Australia they would start with their publications more absolutely designed to serve the Australian trade.

By Mr. Berchdolt.—Supposing these patterns were made in Australia, on account of the duty, what would be the price to the consumer?—The Australian patterns can be sold in competition on the prices now.

Q.—It would not affect patterns?—No.

Q.—It would only affect the magazines?—Yes, provided there is such a deluge of sales matter it affects the price.

Q.—The pattern is more important than the press matter?—It saturates the public mind with the idea of this other product.

By the Chairman.—Do you think there would be any serious reduction in the number of those in circulation if this duty went on other than in books?—There may be immediately, but we were in the same position during the war. There were seven or eight months at a time when nothing came overseas at all, and some Australian publications got a bit of a chance then.

Q.—It looks like this, whether or not our women are up-to-date in fashions or not, do you think it will result in the women folk in Australia being limited in their selection?—No.

Q.—Neither in patterns nor in catalogues?—No. In that catalogue of ours you can take Butterick's and McCall's, and you will find whatever you require.

By Mr. Berchdolt.—The point is that all these patterns start from Paris?—Yes.

By the Chairman.—Do you get them as promptly as they do in England?—Yes.

Q.—There should be no reason why you should not get them more promptly?—We are in the market looking for them.

Q.—What happens now, from what origin do your publications spring?—From the Parisian models.

Q.—From the garment itself?—From pictures.

By Mr. Berchdolt.—In the Paris magazines?—Yes. We do not care what duty is put on, if we have to pay £5 for a thing we would pay it. These things which are catalogued or in use by the manufacturers are being used in some form or other; the price of them is not material; the thing that is material is the widespread sale of the matter.

By Mr. Kelly.—You hold your selection of these materials ought to be as satisfactory as those of anybody else?—Yes, and we have proved it.

Q.—It is a question of taste, of course?—We have proved it; the American service has been thrown out of Sydney Snow's, and our service installed; it has been going for two years. So with other leading stores throughout the Commonwealth; they have been investigating our pattern service, and the service has been found to be satisfactory.

By Mr. Berchdolt.—You do not anticipate if a duty was put on you would have a monopoly in this sort of thing?—No, there are a number of other pattern factories making patterns, but not only that, the Technical College is turning out girls to do this work; they take their education diplomas and they are ready to do this class of work and are fit to do it as well as anybody else in the world.

Q.—You expect competition?—Yes, there is competition; we expect it, and we say, let these other people come here and face the music, as we do, and carry the same handicaps and pay the same as we do for the same material.

By the Chairman.—As to books, ordinary books, novels and the like, and other classes of books, would you tell us what you expect would happen in that respect. I would like to comment at the outset you propose an ad val. duty on them, and persumably the value of the books is in the matter which is in the book, that has sprung from the author's brains. Obviously, the same book cannot be produced in two places at the same time, and you are taxing the matter that is in the book at the same time as you are taxing the setting up of the job, the purchasing of the paper, and the printing of the book?—Here is an illustration with reference to this book, "The Little Dark Man." That book was published here in Australia before it was published overseas. The rights were acquired for it in Australia, and the book was produced and sold here at a less price than overseas.

By the Chairman.—I suppose you will admit that in authorship there is a comparatively small number of authors in Australia, as compared with the world's authors?—Yes.

Q.—What would happen in regard to an author who brings out a book in England or in America, and there publishes his book for dissemination in that market and any other markets where he can sell it. Just exactly what would happen?—The books are published by publishers. They are very seldom issued by the authors themselves.

Q.—I did not mean by the author; I meant by a publisher, by arrangement?—The publisher would very soon have the firms in Australia with which he would be co-operating, and the rights would automatically come out for the printing of those books. They would be sold on royalties. In the United States there is no copyright; if a book is copyrighted overseas, and the owner of that copyright does not go to America and print it, anybody in America can print it.

Q.—They are well over twenty times our population?—That is so, but we have got to make a start, and we are a larger population here than some of the Continental countries.

By Mr. Kelly.—Yes, but we are allied to a tongue that is universal?—Yes.

Q.—Their market is limited to their tongue?—Yes, but they have got to do this class of work for themselves all the same.

Q.—Because nobody else would do it for them?—Yes, but that does not prevent them from having good literature, and we will never have any literature unless we give encouragement to our writers and authors.

By the Chairman.—A book of this kind is set up in type on linotype or cast in a matrix, or some other method?—Linotype.

Q.—And printed. Would you suggest that for Australian circulation it would pay to reset that book entirely in Australia?—Yes.

Q.—That it could be reasonably done and still sold at a price equivalent to the price at which it is now sold?—Yes.

Q.—You would not go so far as to permit a matrix of that being imported from which to cast a type?—In some cases they would have to pay the duty that was applicable to the matrix, which is very heavy. I do not think it would pay them to do it.

Q.—It might pay the printing trade?—Setting of a book like that is not a material thing at all. It is on linotype.

Q.—It is not material, considering the value of the output derived from it?—No, of the price.

Q.—And, therefore, you do advocate that a book should be entirely reset for the Australian edition?—Yes. Of course, you will be told of instances where there is a very small sale, but if a book has got such a small sale as to be almost unworthy of notice by the public, nobody is going to be done any harm if that book does not get to them.

By Mr. Berchdolt.—It will be rough on the author?—Yes.

By Mr. Kelly.—It would be rougher on the public?—If it is a book of so little merit that it has so little sale it cannot be doing anybody much harm.

By Mr. Berchdolt.—You cannot always judge merits by sale, can you?—No.

By the Chairman.—Might it not be that books of great merit have very little attraction for the public?—That may be. I know perfectly well it is a very difficult subject to handle, and I am at a great disadvantage, as the man who is an expert at dealing with the books is not able to be here to deal with that aspect of it.

Q.—As to magazines and periodicals, would you say the same in regard to them, that the whole publication would be reset and the Australian issue published in Australia?—Yes, or something else would take their place in Australia.

Q.—There are quite a number of publications already circulating rather largely, I should say, in Australia, which come in particularly for fine art work in their advertisements, and, further than that, in the literary part of a magazine. It seems to me as if, pehaps, some consideration might be due there, in so much as very often those advertisements have no particular application at all in tho Australian market. I suppose your answer to that would be that they could exclude them from the Australian issue?—No, we are not opposed to giving them some consideration, if we can find out how to do it without breaking down what we want to accomplish. We do not know how to separate these things in order to do that. The main point we are after is the thing of popular sale at popular prices.

By Mr. Guy.—You would stop that magazine, the "Home Journal"?—Yes. If I had been able to do so, I would have brought you something as good as that, produced in Australia, but I have been very rushed to-day.

Q.—What about the "Saturday Evening Post"? Would you prohibit that also?—I say the "Saturday Evening Post" should not be selling in competition in Australia at the prices it is selling at. It should be an expensive production. It is impossible to produce anything like that in Australia at that price.

Q.—What about these other magazines, the "Scientific American," for instance. Would you prohibit that?—I think that would come under the heading of the application of science to industry.

Q.—But that has advertisements. Then there is the "American Machinist"?—We are not making any difference between them if they have advertisements. We say nothing against them if they have advertisements, if they are scientific. That would come under "books and/or publications, viz., books on the application of science to industries of all kinds." We are not taking any exception to them carrying advertisements.

Q.—So that, in regard to the "American Machinist," the "Scientific American," "Cassell's Magazine," and the likes of those which contain scientific works, you would bring those all under free, free, free?—Yes.

Q.—And yet the "Saturday Evening Post," which has articles similar to these other papers, you would exclude altogether?—It is largely a fiction magazine, and a lot of big magazines like that have little bits of different things, but you have to draw the line somewhere. You cannot give protection to Australian short story writers, for instance, and not give it in the same breath. It is a complicated question, I admit.

By the Chairman.—You would not be giving the protection to Australian short story writers if these duties merely meant the transference of the publications here. Some of these organisations, without coming out here themselves, might probably produce almost at cheaply as they do abroad?—In that case we would give the work to Australian artisans and craftsmen.

Q.—There is certainly that advantage. To what extent do you think the proposals now made would warp the Australian mind in the matter of limiting its literature?—I do not think it would affect anything worth while coming to the Australian public. I think the question of rights would come in.

By Mr. Kelly.—Do you think the serious British periodicals would come in?—Yes, I think we could get Australian rights for publishing them in Australia.

Q.—Never. You could not get numbers sufficient to make it popular?—There may be isolated cases, but, as I say, with the deluge of stuff that you have got you cannot legislate for these special cases.

Q.—I doubt whether anybody could suggest any one British publication of the serious nature, such as the "Quarterly," the monthlies, and the weeklies for that matter, the "Spectator," and so forth; publications such as those could not find a market to justify them being printed here. It would mean the entire exclusion, or the price would be practically prohibitive?—You could get rights for publishing the articles in them. You probably could combine two or three of them in one publication in Australia.

Q.—I do not think they sell their rights?—I mean leaving out the overseas advertisements. At any rate, we have not been able to draft clauses to make the differentiation, and, if that could be done, we should have no objection in those cases.

Q.—As regards the cheap weekly and monthly periodicals, I do not think many people would care to do much advocacy for them?—Oh, yes, they will. They will fight very hard for them, because there is big money in them.

By Mr. Berchdolt.—It represents quite a different point of view from the other, but if you are cutting one off to stop the other, it makes your case very difficult?—Well, if we could separate such as you mention we would have no objection to that, but when we tried to do it we found that we were laying down definitions that let other stuff in which we wanted to exclude.

By Mr. Guy.—How many comic papers do you anticipate you will have to take the place of those overseas? How many would you have in Australia?—I suppose you would easily have half a dozen.

Q.—At the present time?—You would produce half a dozen local papers to take the place of the overseas.

Q.—And would there be sufficient demand for artists and everybody else connected with half a dozen different papers?—Yes, there is an enormous sale of that kind of stuff.

Q.—Do you think the kiddies are going to be satisfied with half a dozen different papers?—Yes, I do.

Q.—I doubt it?—I have four young children of my own and I watch what they do about these things. They are just as anxious to get the "Sun" every Sunday to see the comics as they are to get any of the other comics.

Q.—I think they are keener on "Puck" and "Rainbow" than they are on those?—In that regard I can tell you that the probabilities are that one of the first Australian arrangements made for publication would be some of those overseas comics, which have very large sales in Australia.

By the Chairman.—Yes, where there is very big circulation; I do not see the same difficulty. The small circulation stuff and the quality is the trouble?—We could come to an arrangement. We could say, "Here is a tariff that attacks us." Let us sit down and we will very soon find a working arrangement to enable us to produce that article and still hold the trade that has been built up on it.

Q.—Your argument is that a firm which is holding a good trade at the present moment will not lightly lose it?—They will either come here and turn it out, or arrange with somebody else to do it.

Q.—Yes, wherever there is a fair-sized demand that argument may hold good.

By Mr. Kelly.—In reference to the amount of manufacture that would be produced in Australia if printing in the allied trades were all reserved for the Australian market, it seems that your figure is somewhat hopeful, is it not?—Well, it looks hopeful.

Q.—I am not quite sure whether it is £5,000,000 or £6,000,000?—£6,000,000, it is supposed to be; that refers to all paper products.

Q.—Of course, we are really dealing with the question of production of books and papers here, and the importation of all and sundry is £1,300,000?—Yes. Of course, we were preparing our case along different lines when we got notice of this inquiry. We were grouping our case differently from what it is being dealt with now.

Q.—Still you count paper and all together in that £6,000,000?—All paper products.

Q.—You gave some excellent illustrations of textbooks printed in Australia. You have indicated on page 4 the disabilities of publishing in Australia, but they are not insurmountable difficulties on something for which there is a market. You have illustrated that excellently, I think, by the success of your local publications, to suit local curricula. They being of a local nature, there is no competition from other parts of the world?—There is competition.

Q.—Yes, there is in some types, but in others there is not?—In every case those have had to oust the imported articles.

The Chairman.—Then Mr. Kelly's question is all the more forceful if they have ousted——

By Mr. Kelly.—They have ousted an article to which the market is limited to Australian reading. You can publish in Australia relatively successfully any publication which is limited to Australian reading, but you get into inherent difficulties when you are competing against something the limit of which is the reading of the British tongue; people all over the Empire?—No, the overwhelming majority of this class of stuff is imported now, and it is of the utmost difficulty for a local industry to get on its feet at all in producing this class of matter against the open competition.

Q.—It is quite possible that what is imported now is part of the curriculum overseas, as well as here, and, therefore, it is not limited to the Australian reading public; but where it is essentially limited to the Australian schools, then I take it the illustrations you have given illustrate a natural advantage, and we are not at such a great disadvantage. We stand at a great disadvantage when we are producing a book limited to the Australian market as against others who are supplying for the world's or the English-speaking market?—What is being done in these cases is this. There is an adaptation of these textbooks to meet the requirements of the Educational Department. They vary from what has been in use previously, but it is now found that they are either an improvement on or equal to what, as you say, had been in use in other parts of the world simultaneously, and it is now found that something peculiarly Australian can take its place, but it is a very uphill fight.

Q.—But what is peculiarly Australian is the kind of literature that offers the best opportunity for the Australian publisher successfully to put out?—Yes, they certainly want some strong encouragement in regard to educational books. There is quite a large enough demand in Australia for educational books to warrant their publication in Australia, and yet the overwhelming majority of that stuff is still printed abroad.

By the Chairman.—And even if it is a book entirely originated abroad and adapted for Australian use, you think the Australian edition would be numerous enough to warrant its reproduction in Australia?—Yes, in use in the schools.

By Mr. Kelly.—I notice in your suggested exemptions that they are mostly exemptions of books of the scientific or technical nature. You must have sought to exempt books of a high literary quality, geographical, historical and philosophical books?—Yes.

Q.—You must have realised it would be impossible to print those here?—Yes, the only thing we could think of was a Committee representative of the industry, which might be able to advise the Minister on such cases. Of course, we do not want to be foolish about the thing and tako up a silly attitude.

Q.—Of course, it is not included in your exemptions in any way?—No, it is not.

Q.—That is the most essential and fundamental need of Australia, to get access to the best literature printed in the tongue?—In that case the public sale is comparatively small; the consumption is comparatively small.

Q.—May be in numbers?—Yes.

Q.—In value?—Yes, in value, no doubt, it is high, and, as we were unable to frame a definition that would draw the line and allow those things in and shut others out, we then suggested a drag net proposal of a Committee representative of the interests concerned to deal with cases of that kind and to let them be dealt with on their merits.

Q.—Their task would be more onerous than that of the censor of films?—These things have got to be tackled. Australia has got to learn to produce its own goods, and we have got to find some way. Because it is difficult, that is no reason why we should dodge it. We have to find some way of dealing with the problem, and, if there were a Committee representative of the various interests concerned, they would find that, in dealing with some cases, they would be so simple that they would then go on to a list at once, and when they came to those on the border line I have no doubt that a good working arrangement would be evolved very quickly. It must be remembered that for many years this matter has not been subject to regulation, and when you have to make a start there is some difficulty in providing the formula which would do justice to Australian manufacturing and at the same time not make a hindrance in the introduction of literature which should come into Australia.

Mr. Kelly.—Yes, I appreciate that difficulty.

By the Chairman.—What is in your mind in connection with that Committee? Would importers or intending importers make application, listing the books, and the Committee deal with them, or would the Committee deal with the books after importation?—No. I should say, if there were a Committee of that kind immediately, there might be some notice given in cases of the amount of duty to be imposed, and that would be referred to the Committee. I have no doubt that in a great bulk of the cases there would not be any dispute at all about them. It would be a matter of form. Then, when you got on to those which are on the borderline, you would have to try to find some formula. It could very easily be ascertained whether a thing could be economically produced in Australia.

Q.—How often would that Committee meet, for example?—We have not gone into that.

Q.—How many divisions might it list in a year?—We do not know. We have not gone into that.

Q.—Might they run into hundreds?—No, I do not think so; no, it would be a comparatively small number.

Q.—I am afraid they would run into hundreds?—As far as we can ascertain, there are 200 periodicals now imported into Australia. I should say the cases that would be cleared for exemption would not amount to more than 25.

Q.—The periodicals, of course, would be comparatively simple compared with literature. I was not worrying much about the periodicals?—That is what I thought was being spoken of.

By Mr. Kelly.—No, I was meaning literature; I was meaning the book publications?—I did not notice you transferring from periodicals to books.

By the Chairman.—Although there is a number of periodicals, they could be dealt with fairly reasonably. What is worrying me is the large number of books with limited circulation, already high-priced, which would be tremendously increased in price, with no added advantage to Australian industry?—We certainly do not want to do that. We do not want to increase the price of an article for no purpose.

By Mr. Berchdolt.—I have been trying to find out under which of these sections by-laws would be included. Could you tell me?—I think they would come under—— I think there is a section there dealing with religious.

Q.—Will you just have a look?—I should think there is consumption enough in Australia anyhow to publish Bibles in Australia.

Q.—That is not an answer. I would like you to tell me which of those eight sections they would come under-

SYDNEY—Henry Arthur Sinclair

—I do not think they are provided in the exemptions. I do not think they are specifically provided for.

(The witness withdrew.)

The Chairman.—Is there anyone else present who desires to tender evidence in favour of the proposed duties? (No response.) Is there anyone present who desires to tender evidence in opposition?

HENRY ARTHUR SINCLAIR.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—I am Secretary of the N.S.W. Master Printers and Connected Trades' Association, and, representing the Master Printers and Allied Trades' Federation of Australia, with the authority of their Executive Council, desire to state that the State Associations of New South Wales, Victoria, Queensland, South Australia, Western Australia, and Tasmania, after mature consideration of the respective members of each Association, have decided that no advantage could accrue to the printing industry by levying a duty on item 339—books, n.e.i., and printed matter n.e.i.—and it is claimed by the combined Associations that the imposition of a duty should not be entertained by the Tariff Board on the following grounds:—

(1) That the imposition of a duty on books would be a tax on education.
(2) A duty levied would not bring about more employment in the printing industry, or at most a negligible quantity.
(3) That the development of the book and magazine industry, with the present population in Australia, is impracticable, owing to an insufficient market and the consequent high cost of production.
(4) Authors would not submit more manuscript to Australian publishers, they naturally desiring to sell their manuscript to publishers that can pay the higher prices, because of almost unlimited circulation, whereas any Australian publishing house has a small and limited public to purchase.
(5) Only a small proportion of imported books is other than of an educational character.
(6) And that we are not asking for a duty for the reasons stated.

We would, however, submit for the consideration of the Tariff Board that a separate item be inserted in the tariff schedule as follows:—

Books of all kinds which have been originally printed in Australia, then printed abroad, ad val. B.P.T. 30 per cent., I.T. 40 per cent., G.T. 50 per cent.

Item 335—Fashion Plates and Books.—

Not being in receipt of the decisions of the various State Associations, I do not purpose giving evidence on this item, but Mr. Rundle, the Secretary of the Federation, will deal with this item when the Tariff Board meets in Melbourne on the 16th inst., giving the considered decisions on behalf of the Master Printers and Allied Trades' Associations, embracing the industry in Australia.

If I may be permitted, I would like to state, on behalf of the N.S.W. Association, that the last witness, Mr. Catts, made an assertion which is not in accordance with the truth. He stated that he had had a meeting with the N.S.W. Master Printers' Association. That is quite true; but it was pointed out to him and his Committee that any suggestions with the Sub-Committee which interviewed those gentlemen would have to be submitted to the Federation for their consideration before they were presented to the Tariff Board, and previously to that the Combined Tariff Committee approached the Minister, and we publicly advertised in the Sydney "Morning Herald" that we dissociated ourselves entirely from that Combined Committee—that is, the master printers. We also wrote to the Minister and told him that they had no authority to speak on behalf of the members of the printing association in Sydney. The Sub-Committee in which Mr. Catts and the members of his Combined Committee are featured submitted to the members of our Association the schedule that it was agreed should be submitted, but it was plainly pointed out to our members at a special general meeting that any decision which they arrived at should be submitted to our Executive, or, rather, the Executive of the Federation, before they approached the Minister.

In confirmation of my statement, if you wish, I can turn up the minutes of those meetings. However, we do want to stress to this Tariff Board that Mr. Catts is not speaking on behalf of the N.S.W. Master Printers and the N.S.W. Master Printers are not appearing before the Tariff Board. We are speaking through our Federation for the whole of the printers of Australia. Mr. Rundle will go into those matters with you.

Q.—Could you tell the Board the relations between the N.S.W. Master Printers and Connected Trades' Association and the Combined Printing and Allied Trades' Committee?—No connection whatever.

Q.—Does the organisation, which Mr. Catts is representing, include master printers; any master printers?—Probably it may include those who are not members of our Association, but they are a very small number.

Q.—What proportion of the master printers are members of your organisation throughout the Commonwealth, do you think?—Nearly 70 per cent.

Q.—What is the difference between a master printer and a publisher, if I may put it that way?—Well, the publisher as a rule simply publishes, but he is not a printer; he does not print.

Then, are the publishers in your organisation?—No, they are not.

By Mr. Kelly.—But if they get anything published, they would get it published through your organisation?—No, they would get it printed through our organisation.

Mr. Kelly.—Yes, I meant that.

By the Chairman.—Then you stand to lose the publishers' business, what business you might get through the publishers, because of your action in making the representation you do make now?—That possibly may be so.

Q.—That is, if business was forthcoming. If those duties forced business it would be your members who would get a large proportion of it?—Yes.

Q.—And do you reckon your 70 per cent. is in numbers of printers or in volume of work, or in both?—No, in volume of work, 90 per cent.

Q.—Then, apart from the workers, do you consider your organisation is the most affected by this proposition?—Yes.

Q.—That is, if Mr. Catts' proposals were beneficial, your organisation is the one which would stand to benefit by the proposition more than any other organisation, excepting the workers?—If it went through.

Q.—Yes, if it were beneficial?—If it were beneficial, we should, yes. I might go further and say that these propositions regarding the duty, levying a duty on books, were put to the ballot of the members of my Association, and by an overwhelming majority they said no, the duties to remain free. The firms that voted no duties were 2850 and those that were in favour of the duty being levied were 842.

Q.—That is the number of firms?—No, that is the number of employees that they engage.

Q.—How many of your members have mixed interests; that is, Australian printers and handling imported literature. I mean what proportion of them?—I should say 5 per cent. or 6 per cent., and those members were not asked to vote, and they did not vote.

Q.—In your statement numbered 5—"only a small proportion of imported books are other than of an educational character"—would you give me a definition of "educational," as you use it there. It seems rather broad?—We claim that fiction is educational. The frivolous amount of literature that comes into this country is small. The fiction may be larger—no doubt it is—but that fiction is still educational from an educative point of view.

Q.—Either for good or for bad?—In cases that may be, but I think in most cases it is for good.

By Mr. Kelly.—You hold that, if they did not start to read that class of literature they probably would not read at all?—No, they might not. They would be at the two-up schools or something.

The Chairman.—I questioned Mr. Catts on the practicability of that part of his proposal which is very similar to yours, namely, books of all kinds which have been originally printed in Australia. Would you consider leaving out that word "originally"?—No, I think that is rather important, the word "originally." That would mean an author who sold his manuscript to a publisher here, and the publisher had put it on the market. It would be unfair to the publisher and the author, too, because I take it he would get a royalty, that it should go abroad to be printed and then come in free.

By Mr. Kelly.—Otherwise, if he were originally cut out, it would stop any classic that had once been printed here being used. That is why you put "originally" in?—Yes. That is to say, the publication must first have been printed in Australia.

By the Chairman.—On the other hand, once the book is set up, some part of the expense in any case has been covered and there appears to be less justification for purchasing a book from abroad after it has been printed in Australia?—It might be a second edition printed abroad, where it would be cheaper.

Q.—That is just the point. If that is so, why not apply the duty?—We are asking for a duty.

Q.—Yes, but I mean your "originally" would block a lot of it. However, you wish to retain the word "originally"?—Yes, we wish to retain that, so as to give the author and the publisher the benefit of putting it on the Australian market.

Q.—Would it be practicable to work that item; that is, you have got to consider that a duty only applies when goods arrive at a port in Australia?—There would be a difficulty. We have seen the difficulty and hardly see a way out of it, but if the Board could not help us out of that, or the Customs could not help us out of it, we would waive that.

Q.—How many books would there be on the market at the present moment that were originally printed in Australia?—I think very few indeed.

Q.—Then, in that case, it would be possible for the Customs to be supplied with a full list of them?—I think that could be done.

(The witness withdrew.)

The Chairman.—Is there anyone else present who desires to tender evidence?

WILLIAM HERBERT IFOULD.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—As Principal Librarian of the Public Library of N.S.W. and also on behalf of the Fisher Library of the University of Sydney.

I have prepared this statement on behalf of the Trustees of the Public Library of N.S.W., the Schools of Arts throughout the State, the Municipal Library of the City of Sydney, the Parliamentary Library of N.S.W., the various Learned Societies and Professional Associations, such as the Royal Society of N.S.W., the Institute of Architects, the Institution of Engineers of Australia, the Linnean Society of N.S.W., the British Medical Association, and the Incorporated Law Institute of N.S.W. I have discussed the matter with representatives of all of these bodies, who are all very concerned about the proposal, not only because of the extra expense any tariff on books would entail to their various institutions, but because of the effect on scholars and students which these institutions represent.

It is felt that a tariff on books would be a tax, more or less severe, on a comparatively poor class in the community, for whom books are tools of trade, and the main means of education; for instance, teachers, researchers, scientists, chemists, engineers, and all classes of students. Scholars and students in Australia are already at a disadvantage as compred with similar classes in other civilised countries, on account

SYDNEY—William Herbert Ifould

of the distance of Australia from the centres of knowledge and original publication. They are more forced to obtain information from books and journals than scholars and students who are closer to the big centres of learning and industry, and books and journals already cost them more than similar classes pay for their literature in other civilised countries. For most books, in fact, one can say for all books and journals of an informative character, as distinct from works of imagination, Australians pay more than Europeans or Americans. I would like you to understand that I am using that term "of an informative character" in somewhat the same way as some of the witnesses have used the term "educative." Booksellers are forced to charge a larger profit because of the necessary loss in dead stock. Large Australian booksellers carry a much larger stock than booksellers in other countries, because they are not able to send a short distance to publishers to procure the books required by their customers. Carrying larger stocks, they take greater risks, and have far more dead stock, which must be sold at a loss. Any tariff on informative books would mean an increase in their cost to the students, not only by the amount of the tariff, but also by an extra profit which the bookseller must charge to assist in his extra overhead costs. In this statement I cannot dare assume that the Tariff Board was considering the question only of a tariff on works of imagination and light periodicals.

Perhaps that needs some modification in the light of some evidence you have had to-day. I was not aware of the exact proposals before you, but would like to discuss presently that schedule which has been submitted to you. My statement continues:—

I must, therefore, point out that a tax on informative books would be a very severe blow to scholars and students, whose work and studies should have every possible encouragement in a country so isolated as Australia, and so much in need of building up a large body of people thoroughly trained in all departments of scholarship.

I should point out also that the effect on the purchasing power of libraries, universities, learned societies, schools and similar institutions would be so seriously affected by a tariff on literature that students would be able to depend less than formerly on being able to procure from them the literature they required, which they were not individually able to purchase. No libraries or other institutions in Australia are able to spend at the present time nearly enough on the purchase of literature. By the term literature there I mean all books. Libraries which contain books of value to students and scholars are at present only seated in the capital cities of the Commonwealth, and even the large public libraries of N.S.W. and Victoria are insufficiently equipped to supply information urgently needed. A large proportion of the book vote for the public library of N.S.W. is expended in the purchase of purely scientific and technical literature. Somewhere about a thousand scientific and technical periodicals are procured in this library and bound for permanent reference, and at least twice as many should be prepared to fulfil the reasonable requirements of scholars and students. The trustees of the Public Library of N.S.W., recognising the very great disadvantages of the people beyond the metropolitan area, and their inability to procure books of information, have established an expensive country circulation system, through which technical and other informative books (not pure literature) are forwarded by post to students in country districts. This circulation of individual books to country students has already reached over 30,000 volumes per year, and would increase rapidly if the trustees of the library could afford to provide more assistants for the work and more money for the purchase of books.

The trustees also circulate over 4000 boxes of books a year to Schools of Arts, branches of the Public School Teachers' Association, branches of the Agricultural Bureau, and similar bodies, and small country

schools. The demands in this direction, also, are much more than the trustees can supply.

If books and journals are to cost more the extent of this circulation will be cut down, and this would have a serious cumulative effect on the capacity of the people, especially primary producers, who are not only unable to purchase books and journals which will give them the information they seek, but are not in a position to see them in any local institution.

I consider, also, that a tax, even if it were confined to fiction and the lighter class of periodicals, would have a harmful effect on those using better classes of books, because it would decrease the number of books and journals sold, and thus increase booksellers' overhead charges, and so further increase the cost of all kinds of books and journals. It would probably put out of business a large number of small booksellers in suburban and country districts, because these smaller booksellers depend for their profits mostly on fiction and magazines, and sell only a few books of information and the more valuable journals. Their margin of profit is at present a very small one, because the bookselling business generally is by no means a profitable one. If these smaller booksellers were put out of business in any number it would increase unemployment for this class, and it would also make it still more difficult for people beyond the big centres of population to procure books of any kind.

In such a widely scattered population, the means for the distribution of books is already very insufficient. No matter what efforts are made to build up our industries, the student population of Australia will always be at a disadvantage in book distribution. I do not mean by this that our booksellers are not efficient. I think most of them are. I am satisfied, with my knowledge of book distribution in other countries of the world, that there are no better bookshops than a few of the larger bookshops in the capital cities; but these large bookshops cannot adequately cater for people hundreds of miles away from their centres.

A duty on books, even if it were confined to fiction and magazines, would increase the capital outlay and overhead costs of the numerous circulating libraries, not only Schools of Arts and country institutes, but also the small proprietary circulating libraries in small towns and in all the suburbs of the larger cities. They would be forced to increase their fees and would thus lose a number of subscribers, and still further decrease the means for the dissemination of information from books and journals. The depression through which Australia is passing will already make it exceedingly hard for these small circulating libraries to retain their subscribers in sufficient numbers to enable them to continue their work. Any increase in their costs would put a number of the proprietary libraries out of existence and thus further increase unemployment.

A tariff on fiction, I believe, would have the effect of causing the printing in Australia of only those few extra books which a publisher could safely reckon on selling to the mass of the people, probably not more than a dozen titles a year, and too frequently these books would be of a sensational kind, lacking in educative or literary value. Many of the best works of fiction have no popular appeal. They would not be printed locally and booksellers would not take the risk of importing them in any sufficient number because of their extra cost and the greater risk of dead stock. Plays and volumes of poems and similar works of imagination would not be printed here. They are already imported in very small numbers, numbers which would decrease under a tariff, and Australian authors would have difficulty in purchasing them or seeing them. The examples for them to study in works of imagination would be overwhelmingly of the poorer class. This would have an effect by no means to the advantage of the local author, but very greatly to his disadvantage. It would not assist in the building up of an Australian literature.

I am satisfied that, even with a tax as high as 33 1-3 per cent. on all classes of books, the result would not mean a very great increase in the employment of printers and bookbinders.

I am amazed that it is proposed to put a tax of even higher than 33 1-3 per cent. on. I thought I had got to the very highest limit there. My statement continues:—

The labour costs in the production of books are smaller than they are in the production of most other goods. A very small amount of labour can produce an enormous number of copies of books and periodicals. I think that probably as many bookbinders would be thrown out of employment by a general tariff on books as would procure employment by increased production of books in Australia, because the bookbinders who are employed on publishers' binding are comparatively few in number, as well as comparatively unskilled. The work is largely done by machinery, and cloth-bound commercial books have very little labour expended on them. Good letterpress binding for libraries and for private individuals necessitates hand work involving a considerable amount of time, and giving a considerable amount of employment to skilled tradesmen who are entirely different from the class of people who are merely feeding machines in the establishments of the printers, turning out fiction and supplementary readers.

In a statement made by Mr. Birmingham, manager of the Halstead Press, in Sydney, before the Minister for Trade and Customs last year, it was claimed that this press during the previous year had turned out a million volumes, and that it employed 98 hands. Many of these were only supplementary readers, but I very much doubt whether a tariff on books and journals would cause the printing of even another 100,000 volumes of books a year in Australia, which, on Mr. Birmingham's figures, would not mean the employment of more than an insignificant number of extra people. Many more people would be thrown out of employment through the incidence of such a tariff than would find employment through the extra printing of books.

Mr. Birmingham's comments, which I am referring to, are confirmed by certain statistics which I obtained from America. Those statistics are taken from the biennial census of manufactures, 1925. The statistics are for the year 1925, and are as follows:—

Wage earners (average number employed for the year)	13,316
(For printing of books, pamphlets and for job printing)	
Number of copies of books and pamphlets	433,211,253
Value of books and pamphlets	$154,991,493
Value of job printing	$669,937,423

If we can estimate the relative numbers employed in book printing and in job printing from these values, we get 26,663 engaged on the book publishing industry, or 61 individuals per million copies. Those figures are in America, where they turn out many more copies of each publication, with only two-thirds of the number that Mr. Birmingham says are employed here. You see the point, that if they printed even a million more copies of books here, and I do not believe myself they would print 100,000, even with the tariff, but if they did print a million more, it would only, on Mr. Birmingham's argument, mean about 80 more employees altogether. My statement continues:—

The argument has been used that, as the United States of America provides a tariff on books and has continued such a tariff, it must be worth while. This is not a logical argument. The scholars and students in the United States are provided with by far the best library system in the world. None of their people is situated far from a good reference library, and in the United States there is no tariff on books imported for libraries, learned institutions, schools, religious bodies, etc. Moreover, the United States has a population of somewhere about 120,000,000 people. Their publishers can reprint books, knowing that they have an enormous buying public to draw on. Their printers and publishers are also protected by the fact that, whilst they get every

protection from the International Copyright Agreement, they do not conform to it themselves, as their country is not a signatory.

To sum up, I consider that a tax on fiction and magazines would be a mistake, and on informative books and journals would be a folly—a bigger folly for Australia than for most other countries of the world. The younger a country the greater the need for procuring from outside the accumulated experience of other people and the records of advancement in any field of learning or its application to science and industry. A tax on the means for procuring this information would, I consider, be a crime against future generations, as well as against the present.

Q.—In a general way, that depends upon what the result of the duty would be. If it merely means the transfer of a publication to Australia, then the picture which you present would not materialise?—But, you see, they could not transfer the publication of informative books because they have too small a publication.

Q.—I should have asked you just how far the exemptions of the applicant would meet you in that respect, because he exempts books on the application of science to industries of all kinds, including books on agriculture, horticulture, forestry, fish or fishing, mining, metallurgy, architecture, electrical and other engineering, carpentry, shipbuilding, mechanism, dyeing, bleaching, tanning, weaving and other mechanical art, and similar industrial books?—You see, he does not exempt even science, pure science will have to bear the tax under that.

Q.—I think that it is an oversight?—Even then, it would not exempt a very great number of books of an important informative nature, which have nothing to do with the application of science to the arts. A book on political economy would have no such relation, and it would have to carry such a tax. The number he gives would be at least 50 per cent. of the imported books, but I doubt whether it would be that number.

Q.—What percentage would you consider that informative books would be of the total books imported?—I have no statistics I can give you on that. I can give you no idea about that, or where you would get it.

Q.—Can you tell us what proportion of your books are informative books?—We have no fiction in our library at all except fiction which can be regarded as classical, fiction which will remain a permanent fixture for all times, for instance, Dickens. No modern fiction in these days is likely to be of very great importance in the classics.

Q.—Then your proportion is very righ of informative books?—Yes.

Q.—In an ordinary library, such as a subscription library in the city, what proportion of the books would you consider might be informative and what are in the other category?—I am afraid I could not give you those statistics, as it depends such a lot on the nature of the library. The best class of proprietary circulating libraries would contain a larger proportion of informative books.

Q.—A guess from you would be much better than a guess from us?—I am afraid I would not like to make a guess, because these guesses are so difficult; I would not give any guess at all.

Q.—I notice also that you assume, for the purpose of all your arguments, that if a duty went on there must of necessity be an increase in price to the extent of the duty?—Of more than the duty.

Q.—That need not necessarily apply surely in regard to this instance, where a book could reasonably be printed in Australia?—No, it was in the case of informative books. I do not believe, myself, a dozen publications would be printed, even with a heavy duty on books.

Q.—Those textbooks on algebra, arithmetic, and so forth, what is your view of including those in your category of informative books?—Yes, I would say they should be, but in those instances they would be exempt under the educational section purely for the schools.

Q.—I take it the applicant clearly did not intend to include them?—He says if they are for educational purposes, and there are quite a lot, I think you will find.

Mr. Kelly.—He has another qualifying clause afterwards there, "the whole under regulations prescribed by the Minister for Customs," that means if it could be printed here it would be included?—If they could be printed here without a tariff why put a tariff on and make those books dearer.

By the Chairman.—Because the argument is a very great many more could be printed here if there was a tariff?—There are a few there which he has given you which are produced by Australian writers, and the tendency is—I am speaking now with a knowledge of the Education Department, of which I am an officer, and have discussed this matter with the Director for Education, and I know that the Education Department has given a preference of 10 per cent. on books which they can reasonably use, as they would far rather use an Australian book if they could—to give every advantage to the Australian product, but you have to produce brains as well as printers and bookbinders in order to produce a single book for educational purposes.

By Mr. Kelly.—Do you not suggest our disability is more a matter of market, lack of market, than lack of brains?—No, not in the case so much of educational books, because you have a big market there. If you produced a book which could be used by the Education Departments of the various States you would sell not by thousands, or ten thousand, but twenty thousand or more, and they keep on for some years, and it would be an exceedingly profitable thing. There is more than a little market there for the local producer without a tariff.

Q.—I would like to get your views in reference to the question of the production of literature in the small nations of the Continent. They have successfully built up a literature. Take Sweden or Holland; what is their literature comprised of, their own production?—It is not a very large literature. Of course, you must remember the circumstances of those countries; they read German books; most of their books are in German. They certainly in their schools have textboks in Dutch, but a tremendous proportion of their textbooks would be read and printed in Germany.

Q.—They are far from being limited by their own production?—Yes, they are not by any means limited; a tremendous proportion of their books is printed in German, French or English.

(Witness withdrew.)

EDWARD RONALD WALKER.
Sworn and Examined.

By the Chairman.—What is the capacity in which you are appearing?—I am Acting Dean of the Faculty of Economics of the University of Sydney.

Q.—Are you appearing on behalf of the University?—The Vice-Chancellor approves of me appearing, but the views I would express are my own. I suppose the matter has been fairly well realised that the whole problem of deciding about such a duty rests with the balancing of any adverse facts against any advantages. You have already had evidence from various witnesses regarding the disadvantages, and I think it important for the Board to consider seriously just what is the need for this assistance. The first point I would like to make is that, so far as I can make out, the printing industry is probably in the least need of assistance among other Australian industries. I have been studying for some two or three years unemployment in various Australian industries, and have been led to the conclusion that the printing industry is the best off in that regard. Over a period of sixteen years, from 1913 to 1928, the average percentage of trade unionists returned as unemployed were as follow:—

Wood furniture group	6.3
Engineering, etc.	8.5
Food, drink, and tobacco	10.5
Clothing, hats, etc.	5.4
Books and printing, etc.	2.8
Other manufacturing	9.7

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Building	6.7
Mining, quarrying, etc.,	9.8
Land transport, other than railways and tramways	4.4
The average for all the different groups was	7.8

And that same tendency is indicated if you take the highest point reached in unemployment. For books and printing that point was 6.5, whereas if you take food, drink and tobacco it was 24.1, other manufacturing 21.3, building 17.3. On those figures it would appear that you should consider just which industry should have the benefit of import duty, which it is admitted involves some burden upon consumers and some sections of the community, and the printing industry is less in need of such assistance than any other. The second point in that relation is that the industry has made good progress for the last few years. In the last nine years, according to the production bulletins, the number of hands increased from 25,000 in 1918 to 34,008 in 1927-28, an increase of 30 per cent. For all the groups that are recorded in those bulletins, the increase has been about the same percentage, so that, despite lack of protection, this industry has expanded on the average.

Q.—There is no lack of protection, although there may be a lack of protection in certain directions?—I will qualify that in that way. So far as unemployment is concerned, whereas for all industries the gradual trend for those 16 years was for an increase, in this industry of printing covering a long term the trend was not downwards. The downward trend which has been elsewhere shown, it is rather remarkable, is not shown in this industry. Another point is that the foreign competition apparently is insignificant compared with other industries. You quoted a figure earlier in the morning of imports in the vicinity of £1,300,000. I have taken the production in the printing industry, which does include more than books for the years 1926, 1927, and also in 1928-29. The figures show about £20,000,000 worth in each of those years. The figures are:—For 1926-27, £20,217,555; 1927-28, £20,810,371; and the latest figures for 1928-29 are not available, so that, even if all those books were shut out by import duty and even if that whole amount were transferred to the Australian production, that is, the amount of imports, it would not add a great deal to the amount to be produced by the Australian printing trade. I do not believe that an import duty of 30 per cent, 40 per cent., or 50 per cent. would transfer much of that oversea competition to Australia. You have, first of all, to get the copyright, and the cost of obtaining the right to publish those overseas books in Australia would be considerable. Secondly, what has already been pointed out must be considered, that is, the great cost of printing where you have such limited numbers. An import duty must raise the price of books to the consumer, because of the small market. It is only in those cases of primary school textbooks where you can consume a large number that the price might not be raised. I have no great hope even with an import duty that the producers will sell at a very low price. That higher prices will inevitably reduce the sale of books is illustrated by the falling-off in the imports. The demand for books is very elastic, and if the price goes up the demand would fall off much more than for many other commodities. In 1928-29, which was the beginning of the period of depression, although it was not generally realised at the time, the importation of books was diminished by nearly £100,000 worth. In 1926-27 the figures were £1,309,613, in 1927 28, £1,388,092, and then at the beginning of this depression the imports fell to £1,294,466.

By Mr. Kelly.—Has not that been caused by the reduction in the cost of books. Has there not been a fall in the general price of books?—So far as the books I buy are concerned, there has not been any obvious fall in the price in the last year or two. I do not know whether there has been so far as imported novels are concerned.

Q.—I think the tendency has been downwards.

The Chairman.—I think your comment is weak, because the fall in the imports is not sufficient to actually indicate the trend of the economic conditions of the country. For instance, the arrival on the first day of July, in which the year starts, of a couple of shipments, and at the end of the year a couple more shipments might easily make a difference of tens of thousands of pounds in the direction one way or the other?—Would it make a difference of 8 per cent.?

Q.—It is hard to say, but we will accept your argument as one possible explanation of the different figures.

By Mr. Kelly.—Are you able to apply that to the much more obvious change in the value of books—books jumped very erratically after the war, did they not?—I do not know whether the price of books was raised as much as the prices of other things.

Q.—Books changed more than anything, I think.—Do you mean from 1914 onwards?

Q.—I may be wrong as to whether it was just at that period or not, but there was a radical change in the cost of books about that period. The publishers, when they come along, if my recollection is wrong, can correct me. I would like to know. It would be interesting to know what effect that had.

The Chairman.—At the same time, I do not think it affects Mr. Walker's argument, because in 1925-26 the market would be stabilised.

By Mr. Kelly.—Still, the elasticity ought to be intensified by the fall resulting from the rise which I suggest took place?—Would you like me to inquire into that?

Mr. Kelly.—We will take it for granted.

The Witness.—I just referred to that to illustrate the fact that a rise in the price of goods does result in reduced sales of books considerably more than in many other commodities. Then you penalise the small booksellers, and, what is more important from my point of view, you hamper education and scientific research. On the point of those exemptions suggested by Mr. Catts, I would like to emphasise the narrow interpretation that is placed on that phrase, "application of science to industry." I am afraid that would not cover a great proportion of books that economists and others of my colleagues at the University require.

The Chairman.—Mr. Catts admitted that was a very rough sort of item, and if the Board were making their recommendation it would take great care in regard to these exemptions?—I would like to be particularly clear on that, because it must be realised from an economic point of view it is important. We do find that more and more of our own problems here have to be dealt with in a scientific way, and we must have for that purpose the best literature from other parts of the world, so far as it is possible, as that is the only way of knowing what is being done in other parts of the world. At present it is costly enough. On those general grounds I would come to the conclusion that the proposed duty, which would involve grave disabilities of a social and economic nature and in return promises not more than an inconsiderable degree of protection to an industry that needs it least, should not be imposed.

By the Chairman.—Notwithstanding your comments on the fortunate position of this industry as regards unemployment, I assume that you would admit that, if by opening up new avenues you could very largely increase the employment, it would be an advantage?—It would be an advantage, but I think that the Board should consider the relative value of the different avenues.

Q.—True, I am not for a moment considering disadvantage. You admit it would be an advantage, and the value of that advantage would, of course, be gauged on your own views as to whether it was more than offset by disadvantage?—Yes.

Q.—I mean the mere fact that you kept all the men employed does not quite end the question?—No, I would say that to make things better where they are already good is certainly desirable, but where the process does involve some burden you could see where you could do the most good.

Q.—You claim that duty must increase prices. The applicant put in an exhibit of a book which was published in England, the sale price of which was 7/6 for that issue; in America the sale price was 10/6 for that issue, and in Australia, I take it, the evidence was meant the Australian issue was priced at 6/—What I said would not apply to every specific book that was sold. I specifically excepted those small textbooks, and I would also add the exception of any one, two or three fiction lines that happen to be extremely popular, but it will only apply to those books that have a very large sale, and certainly does not apply to the majority of books when you consider them in numbers of titles.

Q.—And you claim that at least part of the duty must go on unless there is a considerable output?—Undoubtedly, and I think that general consideration is more relevant to the production of books than to some of the commodities we do import.

By Mr. Kelly.—It is rather a hopeful sign that "The Life and Letters of Walter Page" found a market that was profitable in Australia?—Yes.

Q.—It was reprinted here and successfully marketed, I understand?—Yes, although I bought Volume 3 at greatly reduced prices some time afterwards.

Q.—You often do that, but it is a hopeful sign that a biography of such quality and value should find a market sufficient to justify its being printed here?—Undoubtedly.

(The witness withdrew.)

GEORGE ROBERTSON.

Sworn and Examined.

By the Chairman.—You are the managing director of the firm of Angus and Robertson Ltd.?—Yes, I have prepared a statement, which reads as follows:—

The firm has been established in the bookselling business in New South Wales since June, 1884.

I hope this Commission will not approach the consideration of a duty on books and magazines as they would a duty on stockings or hats. When young men and women leave High School or University it doesn't matter much what hose or headgear they wear. But it matters a great deal whether or not they have free access to the books they need for that self-education to which mere schooling is only an introduction.

And to whom does the student look to supply his needs but to the bookseller? No country in the world, except New Zealand, is so well catered for by its booksellers as is Australia. The two best bookshops in the world—so much-travelled readers tell us—are in our own State of New South Wales. And all over Australia shopkeepers who a few years ago described themselves as newsagents and tobacconists now have "bookseller" as the first word on their business stationery. On booksellers' shelves in our capital cities the best books of the day and of past days are accessible to all. If you handicap us with a duty you will handicap the intellectual life of the Commonwealth.

To those who adopt "plain living and high thinking" as their motto in life, the bookseller is a godfather. They can come to his shop and see if the new book is what they want or what they need. And his expert knowledge is always at their service. Put a duty on books and you will make the present race of booksellers a breed of book-brokers, who will indent to order only.

There is another class vitally concerned in this proposed duty. In New South Wales are many hundreds of lending libraries—in this city alone probably two hundred, great and small. All are dependent for their existence largely on a cheap supply of novels. At most of these libraries wage-earners and their wives and daughters can for threepence borrow the book that will give them the mental relaxation and entertainment they need. A duty on books will ringbark the prosperity of these small libraries, and, when their doors are closed, drive would-be readers to the movies and the talkies.

Australian publishers, too, will be hard hit by this proposed duty. No country, taking our small population into account, has been better served by its publishers. The writer has been engaged in bookselling in

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Australia for nearly fifty years, and in publishing for thirty-four years, and knows what he is talking about. In nearly every instance the Australian author has owed his "chance" to a local bookseller, whose "connection" and bank balance have resulted from his dealing in British and American books. That is true.

It is urged by advocates of this duty that it will benefit Australian authors. Those who say that regard books as if they were a factory product. Nothing could be farther from the truth. One of the greatest of our race has declared that "A good book is the precious lifeblood of a master spirit." That is why no tariff ever framed has nourished a country's literature, why no duty ever imposed has inspired a masterpiece.

There is another matter. At present Australian authors are unhampered in their choice of a publishing centre, and thus, acting on my advice, Dr. Charles McLaurin sent to London his two brilliant studies of great men in the light of their physiological weaknesses and peculiarities, and achieved a world-wide success with them, which he could never have done had he published them here.

London is the natural centre for Empire authors whose work appeals to either the very many or the comparatively few. A duty on books would confront Australian authors of such work with the alternatives of publishing either in Australia at their own expense, and almost certain loss, or, say, in London, and be penalised by a duty in their homeland.

By the Chairman.—I might say, without in any way detracting or reflecting on other witnesses, that I am very pleased indeed to see a man so prominent in the bookselling industry before the Board?—I thank you.

Q.—I take it that you do not consider the exemptions that have been made in the application as in any way sufficient to meet your objections?—What is the good of exemptions? You would want a committee of 50 to go through the stuff and decide whether a thing was informative or educative. It is not practicable.

Q.—Would your objection be any less to a duty on fiction than on informative books?—No, I should think that a small librarian and small bookseller, whose business practically is wholly in the fiction——

By Mr. Kelly.—Of course, you would not imply either that fiction was not informative?—No, certainly not.

Mr. Kelly.—I know that was not used that way originally.

The Witness.—That is what is wrong. With some of it, it is informative.

By the Chairman.—I think I made an interjection to that effect earlier in the hearing, so we are quite in accord?—You would never get a committee to work either. Some people think that bookselling is the easiest thing in the world. This Birmingham who has been quoted thinks he knows all about it, but he does not know anything.

By Mr. Kelly.—As regards the financial results of publications, could you give us any cue as to what percentage are profitable in publications? We do not want to get your particular business, but you have a knowledge of the type of book?—About half the books a publisher publishes he loses money on. That has been my experience, and I believe it is the experience of big London publishers. When I say that they lose money, I mean they may get their money back, but then you have lost all your time.

By the Chairman.—Could you in any way distinguish the class of books that are most likely to be profitable?—Fiction, I think, and travel.

Q.—The books that suit local curriculum chiefly, is it not?—Of course, school books are highly profitable. In connection with that book which we published at 6/, and which is 7/6 at Home, you have to remember they do not sell fiction novels to the general public at Home. It is only the libraries that sell them, and they make the libraries pay. I have no doubt that the libraries do not pay much more for their 7/6 book than we charge the trade here for our 6/ book.

Q.—The 7/6 is a nominal price really?—Yes. The

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buying of fiction has fallen off tremendously in the Old Country. It all goes to the libraries.

By Mr. Kelly.—Does that explain the fact that colonial editions are retailed here frequently at a lower price than in Great Britain?—Yes, the libraries must have them and they have to pay more.

Are they not really separate copies?—No, not one of them.

(The witness withdrew.)

HENRY MACKENZIE GREEN.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—I am appearing in a double capacity. The principal statement on behalf of the University is to be made by the Vice-Chancellor to-morrow, but he asked me also to make a supplementary statement representing one aspect of the University's view on this question, and I was also asked to speak specially from the point of view of the Department of English and also to represent the Australian English Association. Although I am the University Librarian, I am not to speak as a librarian, because we felt that the position from the point of view of libraries generally was pretty much the same, and, therefore, Mr. Ifould was asked to include the University library amongst the others. Our position will be much the same as the public libraries, except that we take more scientific and more specialised works. On the question that was asked since Mr. Ifould gave his evidence, with reference to the price of books, I cannot give you figures, but my strong impression is that the price of books, speaking generally and not merely fiction, has gone up steadily since the war, but it has not increased anything like so fast as the price of periodicals, and especially the price of German periodicals. I do not know how far this affects the position, but some question was asked and I thought I had better answer that.

By Mr. Kelly.—You do not suggest books have gone up 100 per cent. since the war?—I cannot tell you that, but I do know that the price of books has steadily increased, and the price of periodicals, especially the German periodicals, has increased very much faster. Professor Brereton was to have appeared instead of me to represent the Department of English, and also to put the case for the Australian authors, so to speak. That is what I am going to talk about, the position of the Australian author and of Australian literature, as it might be affected by the proposed tariff. In order to show that I have some representative capacity in this, the University considers that it stands not only for science and scholarship, but also for literature even extending beyond the bounds of the University. It has, for instance, produced graduates who are amongst our best writers. There is Professor Brereton himself, and there is Professor Brennan, who is certainly Australia's most important writer on verse to-day. There are the two young writers who have just brought out "A House is Built." They are both University graduates. Apart from that, the University takes a special interest in Australian literature. It has made a practice for some years every year of making the subject of some of its thesis Australian literary subjects, and this year for the first time in any Australian University it is lecturing on Australian literature. As to the Australian English Association, it is not purely a University Association, but it extends far beyond the boundaries of the University and includes in its membership a large number of Australian writers. This statement that I am making may be considered to represent that Association, which has a membership of about 400 or more. I should like to say also that I am Vice-President of the Fellowship of Australian Writers. That institution decided not to be represented here, so I cannot speak for it, but I feel convinced that these statements represent the opinion of a large percentage of its members. I have gone over this statement with Professor Brereton, who is the President of that Association, and who knows the feeling of the members, and some little time ago he wrote a letter to the "Herald" against the proposed tariff. He wrote that letter and sent it as the President of the Australian Writers' Fellowship, and it was not contradicted. My statement reads as follows:—

> Australian writers, even more than Australian readers, need the stimulus of new ideas from the outside world, and also the training in literary skill and judgment which should result from wide reading. Anything which may increase the price of books or make them less easily available must be a very real handicap to Australian literary work.
>
> Specially in the scattered population outside the cities books are more important to Australian thinkers and writers than to those of the old world, because Australians lack the benefits obtainable from personal association with other thinkers and writers. It is by intercourse with other minds that ideas are born and developed. Even in our cities for such intercourse we have to depend largely on books, and without them we should stagnate.
>
> A tariff on books is bound to make at least certain classes of books harder to obtain. Even if scientific and educational books and the Universities are excepted from its operations, that will not be enough, for works of imaginative literature are especially necessary to writers of imaginative literature, as well as to students. Such works—verse, plays, novels, essays, etc.—may have a high educative value, both for writers and for readers, upon whose taste the writers depend. It is true that not all imaginative works have such a value, but it would be impossible to distinguish between the valuable and the comparatively valueless without establishing a literary censorship, which would be costly, cumbrous, and generally unsatisfactory.
>
> Writers are usually poor, and depend largely upon secondhand books, and if a duty were imposed upon these our literary output would again be affected, to say nothing of the probable closing down of many small bookshops, because those small bookshops depend to a very large extent on those secondhand books.

Q.—But a lot of them may be locally obtained?—But I am talking of secondhand books which were originally published abroad, not local. Regarding Mr. Catts' suggestion that, because a book is not widely bought it is not much good, I do not suppose he meant that seriously.

Q.—I think not.—My statement continues:—

> The best books are often published in small editions, because they have no wide popular sale. If we had to depend upon Australian editions of such books, the editions would have to be very much smaller still; the sale price would have, therefore, to be greatly increased. And for the local production, as distinct from the mere reprinting of such books, we have not enough scholars or literary men. We have scholars and literary men, but we have not enough. All our writers would feel the handicaps mentioned. But the proposed tariff would, in effect, discriminate against the best of our writers, most of whom publish abroad, simply because their local market is not large enough. Australian firms would probably be unwilling to take the risk of publishing many of such books, for books published in Australia do not seem to have the same chance in England as if they had been published there. Examples of leading Australian imaginative writers who publish abroad are Henry Randel Richardson, A. S. Pritchard, William Hay, and Dale Collins. Most of our historical, scientific, and other writers also publish abroad; for example, the late Professor Wood, Prof. MacCallum, Prof. Woodhouse, Prof. T. G. Taylor, Mr. A. B. Chisholm, and Prof. Scott, of Victoria. The only Australian writers whom the proposed tariff might benefit are those whose books could command a wide popular market in Australia, and little or none in any other country; and these are not as a rule our best writers.

Q.—I would ask whether you think that the exemptions that are made in those items marked free are short of what you would consider should be exempted; if any duty should be imposed?—Yes, I think they are a very long way short. I do not say any books on pure science or on scholarship, and then I have already made a case for works of fiction, which are certainly valuable and educative, or whatever you like to call it. I do not say all works of fiction are.

Q.—Without in any way assuming that it indicates the Board's mind—because that would, of course, be unthinkable at the present moment—I should say that you could help us materially in listing for us the class of books on which you consider a duty is unthinkable. Presumably you do not mean that a duty on any book at all might be unthinkable. I would like you to list them, even if I went so far as to ask you to range your mind in degrees of opposition. Do you see what I mean?—Yes.

Q.—And if you put certain books which you reckon it would be a little short of a crime to put a tax on; for instance, make two divisions, or, if you saw fit, three divisions?—Yes, such a list would be enormous.

Q.—I do not mean in titles. I only mean in the class of books. Do you think you could do that?—Yes.

Q.—Could you do it within a week and send the list to the Secretary of the Board?—Yes, I will do that.

Q.—You could make your own divisions, but please do not attack the question from the point of view that you are opposed to a duty on all books. We want you to imagine for the moment that the Board might come to the conclusion that a tariff on some books is justifiable, and we would like you to express the view, assuming that you knew that, what books the Board should certainly leave alone?—Very well, I will do that, but I want to make it quite clear that, although I certainly admit it would not do any harm in connection with certain kinds of books, the difficulty is to draw the line between the books which ought to be taxed and the book that ought not to be taxed. The conclusion that I have come to, and which is shared by a large number of people, is that it is dangerous to draw such a line. You would have to set up an institution to do it, and you would find there would be plenty of people who would say, "I can tell a good book from a bad one." I think I can myself, but when your neighbour does it you do not agree with him. Such an institution will be costly and very unsatisfactory. At the same time, I am prepared to do what you want.

Q.—Perhaps Mr. Ifould would be good enough to collaborate with you?—Yes, I will send him the list. We will do it between us.

Q.—Of course, do not for a moment take it as a suggestion that we have come to a conclusion. We might recommend a duty on all books, in spite of all your protests?—You want me just to divide all books and periodicals or books into classes.

Q.—Periodicals are easier, but I would like you to keep periodicals apart and deal with them separately in the same way?—Very well. I can think now of certain periodicals which would be just on the line. Take "John O' London's Weekly," that has a certain literary value and is just on the line. I do not know whether it would be above or below.

By Mr. Berchdolt.—Take the applicant, he includes religious literature, if published by a society, free of duty, and if published by an ordinary publisher, to pay duty?—However, that is what you want me to do. You want the list to cover all books and periodicals, and for me to draw a line between them.

The Chairman.—That is so.

(The witness withdrew.)

(The inquiry at 5.40 p.m. was adjourned until the next day, Friday, April 4, 1930, at 10 a.m.)

The Board met at the Commonwealth Bank Buildings, Martin place, Sydney, on April 4th, 1930, at 10 a.m.

Present.—Mr. H. McConaghy (Chairman), Mr. S. Berchdolt, Mr. H. E. Guy, Mr. W. S. Kelly.

JOHN MALCOLM FORSYTH.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As President of the Australian Booksellers' Association, 245 William street, Melbourne. I am also Manager of Dymock's Book Arcade, Sydney. I have prepared a statement, which is as follows:—

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1. Any duty on books must undoubtedly mean a tax upon the wider knowledge, the culture and the education of what is, after all, a very young community, very far placed from many of the seats of learning and literature. The most value in a free and unhampered service of books in any community is the breadth of reading and knowledge that such offers. A duty on books must increase the price of same, and thereby reduce the sale and free distribution of books, and consequently seriously affect the number employed in the selling of them. On a careful estimate the wages paid in Sydney at the present time on the sale of books amount to £250,000 per annum, and the wages paid in New South Wales would be at least £750,000. That is rather problematical, as we could not really get at that; at the same time, we are safe in giving that sum. The loss of employment in the event of a duty on books could not be compensated by the increase in the employment of the printing and allied trades. A very small percentage of books that circulate in Australia, excluding educational textbooks, would total more than 250 copies each, and a much smaller percentage would total to 1000 copies each. It will be plain, therefore, seeing that it needs a run of at least 2000 to 5000 copies with an assured sale to produce in Australia at anything like the price to retail to the public at present figures at a profit, the duty would not be effective. The reason books are sold here at the present low prices (taking into consideration the cost of importing same) is that very large runs are produced in England to cater for the whole of the Empire and other English-speaking countries. It is scarcely necessary to impress the Board that technical and educational books must be admitted free in order that our industrial, educational, denominational and general public have the cheapest access to the world's experts on each subject. It will be evident that technical books published for the Empire and written by world experts could not profitably be produced in Australia owing to the comparatively few copies required here. We submit that all books dealing with industrial and technical subjects should be immediately upon publication freely available to readers in this young country at the lowest possible prices.

2. On the educational question, it is very difficult to see where the scope ceases. Australia to-day is better catered for by excellent bookshops than in any other part of the Dominions, except, perhaps, New Zealand. Publishers and English visitors have frequently expressed amazement at the magnificent and valuable stocks carried at this far distant part of the Empire for the use of the reading public. Australia per capita is one of the largest reading publics among English-speaking people, and we suggest that to restrain such an excellent reputation in any way would be a bad policy for any rightthinking Government. State and Federal Governments establish free libraries and subsidise others in order to propagate the dissemination of good reading; but, no matter how many libraries there are, the full function and intention of the Governments could not be fulfilled without the efficient aid of bookselling establishments. The majority of readers do not use the public libraries, and will always go to an up-to-date bookshop for their reading. It is granted that booksellers are in the business to make a living and profit, but, nevertheless, they are fulfilling part of the excellent aim of the Governments in establishing libraries.

The greater percentage of fiction is undoubtedly educational. The majority of readers first read fiction, and, almost without exception, readers of the better class of books develop from fiction readers, so that, from an educational point of view, fiction and juvenile books are to be regarded as the primary class in this educational avenue.

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3. Many books of standard and modern fiction are used as textbooks for reading in schools and universities for the study of English, etc., and it would be an anomaly to allow one title which is definitely used as a textbook in free when thousands of books of fiction, possibly of more value to the public, may be dutiable, because they do not happen to be on any educational schedule.

It is necessary for any large bookseller carrying a general stock to have a free and unhampered sale of fiction and the lighter forms of reading, for it is from this source that the bookseller looks to pay the major portion of his overhead, which enables him to carry adequate stocks of the informative sections of books. By that I mean if we did not have fiction we could not do the business; that we could not keep the other section of our stock.

Q.—You mean the bigger sellers carry the poorer?—Yes, the bread and butter lines have got to carry the slow sellers.

Q.—Clearly, if the effect of any duty imposed were simply to transfer the printing of books from elsewhere to Australia, that would not diminish the expense of selling books in Australia, but presumably you have come to the conclusion that a duty cannot be imposed without restricting the number of books circulating in Australia?—Surely. There are a few books, examples of which were shown yesterday—for instance, "The Dark Man" and a few others—which have a large sale and have the push of one big firm well behind them. They can be profitably used now, but a very small proportion of the general reading and the better fiction cannot be. The really high-class fiction—books that have a chance of living or becoming standard, or becoming a standard vogue for a period—first sell in very small quantities, and continue to sell in quantities of sixes and dozens, and it would not pay any publisher here to produce them, because they sell too slow. There are books which are performing a wonderfully educational function, which cannot be produced here, as they sell slowly, and what is one man's meat is another man's poison, in books particularly. Some people will say one book is a masterpiece, and other people will say it is rot; that is not infrequent.

Q.—You estimate that a run of at least 2000 to 5000 is necessary in order to profitably produce a book in Australia?—A publisher cannot get out and get his money back on 2000, and if it is to be a profitable venture he needs a run of at least 5000.

Q.—In ordinary fiction, what percentage of the books which you handle would have a run of 2000 for the whole of Australia?—My opinion is that not one book of that nature in 2000 would have a run of 2000.

Q.—Over the whole of Australia?—Yes, the big sellers are very few. Most of our sales are made by a dozen of this or a dozen of that, or sometimes 50 of that, or 100 of that, and they do not live very long.

By Mr. Kelly.—You then say that a total of 250 copies would be small?—Yes.

By the Chairman.—The figures you have given are over the whole of Australia?—Yes.

Q.—It sounds amazing?—If you see the number of books that come along every mail, and that are not repeated and are never reordered—just sample books—you would realise the position. Of course, you will see, we have to be very careful on the question of dead stock. It does seem an amazing proposition, but I can assure you it is right.

Q.—You claim that it is altogether an uncommercial proposition for an Australian publisher?—Yes.

Q.—What would be the ordinary run of these books like those which were produced here yesterday—the school books, like algebra and arithmetic?—It all depends on whether it is set as an educational textbook, and anyone who has published them without having some assurance of that is taking a very big risk indeed.

Q.—You think the publication would be rather rare?—Yes, it is hopeless, unless you are fairly well assured it is going to be set as a textbook.

Q.—If you do get that nomination, what run would you get then?—The N.S.W. Education Department would probably order 5000 or 7000. The department give the primary schools nearly all their textbooks. There are a few over—a few hundred—but not a great deal. The one you had yesterday was a book published specially for the Christian Brothers; but the booksellers do not get that sale.

Q.—That is, it is printed for and produced for the Christian Brothers' schools, and does not go into ordinary circulation at all?—We can get it if we want it, but we would have to pay the full price for it.

Q.—It bears the imprint of the Christian Brothers' school, and, naturally, would not be used by schools other than that?—I suppose the other Roman Catholic schools may use it; I do not know whether they do, although we do the biggest ordinary school book business in Sydney.

Q.—They do not buy it from the ordinary booksellers?—No, I think one bookseller holds the stock for them; he stocks them and sends them out to the schools—but I am not sure of that.

Q.—I understand that a number of ordinary books of fiction are placed on the textbook list as set books for study by the universities and schools each year?—Yes.

Q.—Can you give the Board any idea of the number there is of such books?—I have not looked that up, but I could get the number that is on this year's curricula.

Q.—Do they run into dozens?—Yes, taking the universities and colleges.

By Mr. Berchdolt.—They include fiction as well?—Yes, and light fiction. The tendency is to lighten up the fiction curricula. If they give a copy of a standard work, such as Walter Scott or Dickens, they generally lighten that up with a more recent publication.

Q.—Assuming you have your list, including some present-day novel, what number of copies would you sell of those particular books because of the fact that they are listed by the universities or schools?—The number would vary; you could get at that by getting the number of students taking that particular year at the university.

Q.—Would it be dozens, hundreds or thousands?—It may be hundreds for the university; on a particular year you might run into a couple of hundred for the university; but if it were a school textbook it might run into 4000 or 5000.

Q.—I will tell you what was in my mind—that the books selected would probably be books that would have a fairly large sale?—Not always; they are books which are mainly of a standard nature, but the tendency is to lighten up that form of reading a little. There would be a book of merit, which would not be a very popular novel, but a book of merit, a fairly recent publication. There is one on the university list this year; it is listed there, something about the Adventures of a Lugger, a travel book. There is one of Geoffrey Farnol's books listed.

Q.—What is in my mind is that it may happen that the specification of a book by universities or schools would increase its sale. It might even place it in a position of a book which could be commercially produced in Australia. Do you see what I mean? The applicants are willing to exempt those books, but there would be a difficulty in exempting so many copies of a book in an endeavour that they should reach the hands of students and charge duty on the same book for general purposes?—The books they put up as textbooks are generally books that stood the test of time and have had their run, so that putting them up as textbooks would not increase their general public sale. Mr. Catts mentioned yesterday the remainders. They are infinitesimal. In books occasionally you see a remainder list of something which you know you would never have a market for. Occasionally you get a couple of hundred, or something like that. They are not secondhand books; the only secondhand books are for those people who are making libraries on certain subjects; they get these books from London. They write there and get their selection. There is practically no bulk importation of secondhand goods; we get too many secondhand books here—general stuff.

Q.—Could you go to any more degree of definiteness with regard to remainders? Would you give us a rough idea of what your number in a year would be of remainders—what percentage of your trade?—Our turnover is £120,000 a year or more, and the remainders would not total £250 in a year. It is infinitesimal—it is not a point at all.

(Witness withdrew.)

WILLIAM AUGUSTUS CREW.

Sworn and Examined.

By the Chairman.—What is the capacity in which you are appearing?—As Manager of the N.S.W. Bookstall Co. Ltd., corner Castlereagh and Market streets, Sydney. The shareholders of that company all reside in N.S.W. I have prepared a statement, which is as follows:—

The company are booksellers, publishers, and the largest retail distributors in New South Wales of magazines and periodicals, and I desire to place before you my reason why a duty should not be imposed on literature.

If a duty becomes effective it will mean a very serious loss to my company. We estimate that we would lose the sale of 60 to 70 per cent. of the overseas publications, and as this loss would not be compensated for by an increase in the sale of local publications, the loss of trade must necessarily mean that our staff would have to be reduced, or junior or female labour substituted for that of male assistants.

From our experience we know that Australian publishers have nothing to fear from the importation of books or other publications. Australian publications generally are much cheaper, and many of them command very large circulation. For instance, Smith's Weekly, Bulletin, Sydney Mail, Australasian, World's News, Woman's Mirror, Woman's Budget, Humour, Wireless Weekly, Referee, Arrow, Woman's World, New Idea, Listener-In, Life, Home Beautiful, Home Carpenter, Australian Home Journal, Home Budget, Home, Stead's Review, Australian Journal, Aussie, Motor in Australia, Motor Life, Motor Owner, Photoplayer, and many others. The overseas publications are necessary, for they are an incentive to Australian publishers to maintain a high standard; whilst there is healthy competition the general public are the gainers. Overseas magazines and books have a much wider field to cater for—the English-speaking world—and are, therefore, assured of a much larger circulation, which enables the publishers to pay the highest rates to its contributors, and thus commanding the best brains of the world, which bring their publications up to a standard that we cannot expect to reach for many years. Impose a duty, and you will decrease our field for education, affecting the young and old.

As publishers of approximately thirty years' standing, we do not consider that a duty on literature would be beneficial to us. Limitation of imports of books would not have the effect of increasing sales of our local productions; by curtailing our business in overseas books (such business being carried on in conjunction with our publishing), our field of operations would be restricted, and possibly the publishing side of our business would have to be discontinued. We can definitely state that the success of our publishing, in a measure, has been accomplished by the aid of sales of overseas publications. Therefore, we do not favour the imposition of a duty on any class of literature, for, as publishers, we consider such a duty would be detrimental.

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Publishing was commenced by us in 1900 and maintained during a period when the importation of cheap literature was at its highest point, namely, from 1900 to the beginning of the World War in 1914. Fiction, which was most likely to compete against our own local publications, was imported in large numbers and sold at a very low price. The novel priced at 6/ to-day was sold at 3/6 and 2/6, whilst paper-covered editions, at 6d., flooded the market. Yet the publication of our local books grew apace until sales reached very high figures. Owing to a limited market, Australian publishers take a heavy risk when estimating probable sales, for there is always the possibility of a book failing to catch the public taste, and two or three months after publication may not be worth the paper it is printed on, and in any case would have to be sold at a heavy loss.

We stress this point, because the field for successful publication of books in Australia is very limited, owing to the small population. It is much wiser to allow publishing to progress, as it has hitherto to a wonderful extent, by natural process than to use forcing methods.

As publishers, we are content to face competition, if any, from abroad, but we do not consider free import of literature to be competition. It is, we consider, a leaven which is necessary to keep Australian literature healthy.

Q.—To what extent do you consider your company is a publisher, as compared with a bookseller?—To a very small extent. We are greater importers than we are publishers. Still, at the same time, we have published books to a total number, probably, of six million copies.

Q.—What is the average number per book?—We generally start off with an edition of 5000, which is usually printed at a loss, and we expect to make profit on the succeeding editions; and, naturally, if there are no succeeding editions, they remain a loss. There has been some talk about dumping, and, unfortunately, that has been our experience with Australian publications. We have had to dump some of our own, simply because they did not sell. We could not get a resale, or we could not sell them at any price.

Q.—Do you consider it necessary to set out with an edition of 5000, and if you do, it does not ensure a profit?—It does not. I refer principally to our own series, which are published and retailed at 1/ per copy, such as Steele Rudd's, Arthur Wright and Charles Wright's books.

Q.—Could you give the Board the percentage of remainders out of those that you sell in a year, as compared with your total sales?—No, I do not think I could say that with any degree of certainty, but I do know this: we recently retailed to Anthony Hordern's a quantity numbering 115,000, which they are selling at 4d. a copy.

Q.—Were they remainders of yours?—Yes, of our own books, published here in Sydney; not imported at all.

Q.—How many imported remainders—that is what I wanted to get at?—We do not handle them at all. We do not import any remainders from the Old Country at all. It is not part of our business. So far as remainders of magazines are concerned, we certainly have handled a few of those, simply because our competitors were doing it. We are absolutely against the importation of any backdate magazines. So far as secondhand magazines are concerned, I know there have been a certain number brought here, but we do not handle them.

Q.—And you are one of the biggest retail distributors in N.S.W.?—Yes.

Q.—You do not handle imported remainders?—No.

Q.—In this matter of duty, there surely is a difference in a proposal to place a duty on magazines and a proposal to place a duty on books?—A magazine is only a book in serial. Magazines come either weekly, fortnightly, monthly or quarterly, and they really contain the best fiction which it is possible to get. The authors are not confined to England or America, but there are Continental

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authors whose writings have been translated. You get the best ficiton in short stories, and by the magazine you are really getting the best fiction it is possible to get; that is to say, in the magazine you get better fiction than you do in a book itself, because in a book you are confined to one author.

Q.—If you were publishing a magazine in Australia, would not the world's stories be open to you?—No, I do not think so. In the first place, the author would not get the price; the circulation in Australia is much smaller than the Old World circulation. You could not produce the "Windsor Magazine" or the "Strand," or the "Argosy," or any magazine like that in Australia.

Q.—Are there enough of them circulating in Australia to warrant proprietors of them publishing an Australian edition?—I do not think so.

Q.—There must be a big sale in Australia?—There is a big sale, but the overhead costs, I think, would be too great, and I do not think it would be warranted. We have our own Australian magazines, and in my opinion the English and American magazines are really an extra to a person who has already got an Australian magazine. For instance, take "Smith's Weekly."

By Mr. Kelly.—Do you class "Smith's Weekly" as a magazine?—Yes, it is a magazine in weekly form. The "Bulletin" is a magazine, and you have such other things, as "Life," "Stead's Review," and others. Mr. Catts mentioned his brother yesterday; he is the publisher of "Aussie," which competes very successfully against overseas. Then he has the other publication, "Humour," a weekly paper. I suppose that is a very big selling line, and there would be more copies of "Humour" than the "Humorist" sold in Australia. We can only sell some importations to the casual few and to subscribers. In some of them we do not average one copy per branch. Then, again, take the "Sphere," or the "London News." It is idle to suggest that they can compete against the "Western Australian," the "Australasian," or the "Sydney Mail," or anything like that. I think they get some of the things from the overseas stuff to put in them.

Q.—Some of the publications are merely scissors and paste?—Yes, the "World's News" is practically scissors and paste. Mr. Catts, who was here yesterday, has his own paper. He has the "Home Budget," and that has a far larger circulation than "Weldon's Journal" in Australia. I am afraid if his suggestion were adopted that "Weldon's Journal" should be published in Australia, it would be very detrimental to the Australian interests, or more detrimental than having it published overseas, because I think it would be good-bye to some of our publications.

Q.—Do you think you have overestimated the calamity that would attend the imposition of a duty. You seem to think it would reduce your sales?—I think I am rather conservative. Two or three years ago the "Saturday Evening Post" was sold in Sydney at 6d. The price went up to 1/6, not due to any duty, but due to the action of the publishers on the other side. I understand they did not want an Australian circulation. The sales fell immediately, and when we got down to rock-bottom our sales were just 79½ per cent. less than they had been.

Q.—You lost four-fifths of your sales?—Yes, and I think if we had continued it longer we would have lost the whole of them.

By Mr. Kelly.—Do you think there would be more of the "Bulletin" bought as a result of that?—It may have been for that reason, or the fact that the Bulletin improved considerably; the sale of the "Bulletin" has gone up wonderfully—at any rate, during the last few years—but I really think that is because the "Bulletin" has improved very considerably. If you give the public good stuff they will buy it. It does not matter whether it is English or Australian. We can always sell a good article.

Q.—"Smith's Weekly" has a good circulation?—Yes, probably the largest of its kind anywhere in Australia.

By the Chairman.—You were giving us an instance of a rise in price to 1/6. Evidently you are estimating there is going to be a tremendous rise in the cost of production and the selling price if this duty were imposed?—We can only go by what we are told by these people who are presenting this case. They said if the duty were imposed as suggested the price of the "Saturday Evening Post" would be 8/6. Mr. Catts' brother said the other day that the printers themselves recognised that the "Saturday Evening Post" was a paper well worth copying from; they reckoned it was an incentive to themselves.

Q.—The "Saturday Evening Post" is an outside argument to bring in here on the matter of duty, because it is obviously not sold in Australia at cost?—No.

There is no relation between cost and selling price?—That is quite true, but the "Sydney Morning Herald" is sold for a price that is not cost. The publishers of these papers get a great deal of their revenue from the advertisements. If you took a journal that had no advertisements—it would be pretty hard to find—the cost would be pretty high.

By Mr. Bercholdt.—What is the "Saturday Evening Post" to-day?—One shilling.

Q.—Has the sale of that increased?—Yes, it has increased considerably.

By the Chairman.—The "Round Table" was mentioned yesterday. Do you circulate that?—Yes, mostly to subscribers; there is very little retail trade.

Q.—Has it a fair circulation in Australia?—Our sales are very small; a casual sale is practically all there is. We have a few subscribers.

Q.—Has it any advertisements?—I really could not say. Mr. Catts yesterday mentioned overseas fashion journals, but he did not tell you his paper has a larger circulation than any one of them. Some of these high-class fashion journals are circulated; the circulation is small, mostly to the dressmakers.

By Mr. Berchdolt.—What are they sold at?—Some of the prices go up to 10/.

Q.—How many of those are coming in—different journals?—We would handle about 20 of these high-class journals. The weekly papers, I suppose, would comprise 65 per cent. at least, made up of Australian productions and 35 per cent. of the English and American productions; that is our weekly list, I should say.

Q.—With these expensive journals which go to dressmakers, they are subscribers?—Yes, it would not pay the average bookseller to handle them. You could not get 3d. a copy for them when they are out of date, because when a pattern is out of date it is of no value at all except for cutting up purposes.

By the Chairman.—There is a very general statement in the application, and is your statement intended as an objection against fashion books and so forth being dutiable?—We have no serious objection. because our sales are not affected by the high-class fashion journals, because the sales are very small.

Q.—Your lack of objection is because you are not affected?—Yes, the small journals would be affected, such as Weldon's.

(Witness withdrew.)

WILLIAM ERNEST DUNNETT.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—I am the Resident Representative in Australasia for the Amalgamated Press Limited, of 499 Little Collins street, Melbourne, an incorporated English company with a capital of £6.200,000, who issue 62 weekly and 36 monthly publications, also part-publications. On behalf of this company I tender evidence in opposition to a tariff being placed on the entry of British periodicals into Australia, for the following reasons:—

(1) The imposition of any tariff by the Commonwealth Government of Australia would seriously hamper the distribution and necessarily curtail the circulation of British periodicals in that country.

(2) At the present time over one thousand different periodicals are published in the British Isles. Their appeal is of infinite variety, and their contents comprise the results of research of the principal scientists, educationists and technical specialists, as well as the works of the principal writers and artists of the world.

(3) The British periodical press has been built up during many years, and it has grown to its present dimensions mainly from the fact that Great Britain alone has a population of forty millions; that enables the British publisher to demand only what is best for the contents of his papers.

(4) The population of Australia is six millions, and it cannot reasonably be expected to support the great variety of publications that circulate in a country with forty million inhabitants. The variety of publications circulating among a limited number of people must be restricted, and those papers that come into existence to meet the demand, other than for daily newspapers, cannot put down the capital expenditure necessary to ensure a high standard in contents and production over a wide range of publications intended to cater for all classes of society.

(5) If a tax were imposed for the purpose of curtailing the entry of British publications into the Commonwealth, the loss would fall heavily on the Australian community, who, owing to their geographical position, would be deprived of the amenities they have enjoyed for many years in having available a full range of British periodical literature, international in character. For economic reasons they would be unable to make good this loss internally. At the present time they enjoy, equally with the British public, all the advantages of British publishing production, in which over £40,000,000 is invested, and which is a highly skilled and organised section of industry. It is, perhaps, unnecessary to stress the fact that a large proporton of this capital has been spent in the installation of expensive and specialised machinery to obtain the best possible production results at the most economical cost.

(6) The purpose of a tariff may be intended to give effect to two purposes—either that a new publication may be produced in Australia to take the place of those publications excluded by the tariff, or that British publishers would be induced to produce in Australia. There is no British periodical with a sufficient sale in Australia to make it a commercial proposition to print there. It has already been shown that the variety of British publications sent to Australia is considerable. The quantity, however, of any particular publication, even of the more popular type, is small. It would be an economic impossibility to contemplate replacing each variety of British publication with a similar Australian one locally produced. The sales would not justify such a venture, and the cost of contributions, engravings, composition, editorial and overhead charges would be quite disproportionate. It is, of course, possible, if British periodicals were denied admittance, that a few local productions would result, but such publications would, in all probability, be printed for some years to come on existing machiery in the country, and little or no additional demand for labour in the printing world would occur. A considerable part of printing labour is used in the initial work of composition and making plates, and this side of the work is governed by the number of publications, and not by the number of copies printed. The contention that an additional ten thousand printers would be employed if a tariff was placed on imported publications must be inaccurate if careful analysis is made of those conditions which govern periodical publishing as we understand them. As an illustration, we would mention that two of the largest London periodical houses employ only 2800 men in the printing production of 90 weekly and 40 monthly periodicals. The total amount of paper used, however, in the production of one issue of each of these publications is over 1200 tons per week.

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(7) Undoubtedly the distributing organisation in Australia has been assisted by the gross volume of British periodicals, which, were they lessened, would materially affect the distribution costs of all publications produced locally. With fewer publications to handle and a smaller turnover, the distributing trade could not employ the same amount of labour, and retailers would have the same consideration to face.

(8) At present the majority of the periodicals produced by my company are retailed in Australia at the same price as in Great Britain—2d. This is only possible owing to the Australian supplies necessitating a very small runon over the large quantities printed for circulation in Great Britain. The plant employed is very complete and expensive, and the machines used are very fast running. Were it otherwise, it would be impossible to transport these periodicals 12,000 miles and incur very heavy charges for packing, freight, wharfage, etc., and still be able to retail them at the English retail price. Any tariff imposed would mean an increase in the retail price, which would result in a very considerable loss in circulation. This loss would affect the staffs of the wholesale distributors, as, with a decreased volume of trade, they would not require their present staff, and, in addition, it would affect the retail newsagents, of whom there are approximately 7000 in the Commonwealth, who, with a reduced turnover, would not require the number of assistants at present employed, and would have to dispense with some of them.

(9) Part-Publications.—In the production of these works, which are of the highest educational value, the foremost authorities are engaged to write on the various specialised subjects which they contain. These works are well and generously illustrated, which makes the cost of production very high, and the limited number required to meet the Australian demand could not possibly be produced here on a profitable basis. A tariff on this class of publication would make the retail selling price prohibitive, with the result that the Australian public would be unable to purchase these works, and thus be deprived of the knowledge contained therein. The following is a list of some of the works that have already been produced by my company:—

"Countries of the World."
"Wonderful Britain."
"Children's Encyclopaedia."
"Peoples of All Nations."
"Wonderful London."
"Universal Encyclopaedia."
"Universal History."
"Children's Treasure House."
"Science of Life."
"Wonders of Animal Life."
"Our Wonderful World."

By the Chairman.—Would you tell the Board the number of your best sellers sold in Australia? Of course, I mean in the weekly and monthly lines?—Unquestionably our best seller would be the coloured comics.

Q.—Particular attention was given to them yesterday and the expectations expressed that quite as good a job could be produced in Australia?—I think there it is a question of machinery largely, and also a question of the limited circulation.

Q.—Have you any objection to stating what that circulation is, or would you prefer to give it confidentially?—I think there is another witness here who will be giving you those figures. He has them with him. I would add that there are 12 coloured comics.

Q.—Produced by your company?—Produced, yes.

Q.—Do you mean by your company?—Yes, by our company.

Q.—And has each one a fair circulation?—It varies considerably.

Q.—Are they all sold under their own name, or are

they incorporated in publications in Australia—I mean some of them?—No, they are sold under their own names as individual publications.

Q.—As you say, there are two ways that this duty may have effect. It may shut out entirely existing publications and lead to a new issue of publications in Australia. That is rather a far-fetched idea, I admit, excepting in a limited way. The other way is that it may induce or compel overseas publishers to produce some of their works in Australia?—Yes.

Q.—How many, would you say, of your 62 weekly productions are sufficiently strong numerically in their output to justify an Australian edition?—Not one.

Q.—What about your 36 monthly publications?—Their circulations are far more limited than the weekly periodicals which you are speaking of.

Q.—I do not want you to take your departure without you can assure us that you can get the approximate circulation of each one of these publications?—Yes, that can be done.

Q.—Will you forward it to the Secretary?—I think that will be produced this morning. Yes, they will be dealt with by another witness later.

By Mr. Kelly.—Your evidence seems to have been contradicted somewhat by the witness who preceded you. You suggest that these cheaper publications could not be marketed economically here, whereas Mr. Crew indicated that his best sellers of these lines are Australian publications?—I do not quite follow you.

Q.—You suggested that the overhead and editorial expenses of these publications would make their production economically impossible in Australia?—With their existing circulations.

Q.—Well, of course, you would not expect to get a circulation of any one out of 62, but similar publications, according to Mr. Crew, are being quite successfully marketed here?—Yes, that is in the monthly publications in particular, I think, he was referring to.

Q.—I am not well up in this type of literature, but "Humour," or the "Humorist," or some such name——? Yes, they are weeklies.

Q.—He said that the local publication was well outbidding the imported?—Yes, that is so.

Q.—Indicating that it is possible to produce that type of literature here successfully as an economic venture?—Yes.

By the Chairman.—Is "Humour" one of yours?—No, but it is an Australian production.

Q.—And what about the "Humorist"?—The "Humorist" is imported. That is not one of our publications.

By Mr. Kelly.—But it is similar to what you speak of?—Yes.

Q.—So that, whatever may be said of the more serious publications, it does appear that there is a possible market for this class of cheap periodical. It is possible to produce them here, obviously, and to compete successfully, in so much that the paper that you are importing is being oversold by a locally-produced paper?—Yes, but the question of variety comes in all the time. For instance, take the coloured comic. Whereas we have a net sale generally which is fairly healthy, individually it is small, and you must have the variety for the child. I know of actual cases where a child will go in and not buy one coloured comic, but he will buy four or five, and it is perfectly obvious that he would not buy four or five of the one type. It is the variety they are after all the time.

Q.—You hold that is good for the child—the buying of four or five?—I do not know. Much depends upon his means, I take it.

By Mr. Guy.—Are you distributing at all?—No, the distributing is done through the sole agents.

Q.—Who are they?—Gordon and Gotch.

(Witness withdrew.)

DAVID STEWART.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—General Secretary of the Workers' Educational Association of N.S.W. I have been Secretary of this Association since 1912, and can claim to have had a wide experience in organising classes of adult students, mainly of wage-workers. Arranging for the supply of books for such classes, either textbooks which students may purchase or libraries to which they are given access, is a very important part of our work.

From my experience I have no hesitation in saying that price is a most important factor in determining any textbook to be used by a class; it would, as a general rule, be useless to suggest a book costing more than 10/. Even at that figure the number who could purchase would be small; the lower the price the bigger the number of sales.

The following is a representative list of books which, from time to time, have been recommended for purchase by students. In all cases purchase is optional, and cannot be otherwise:—

The Science of Wealth (Hobson).
The Evolution of Industry (MacGregor).
Plant Life (Farmer).
Commonsense in Law (Vinogradoff).
Elements of English Law (Geldart).
Political Thought in England: Bacon to Halifax (Gooch).
Political Thought in England: Benthom to Mill (Davidson).
(All Home University Library Series.)

Political Economy (Chapman).
Psychology (W. McDougall).
Decay Capitalist Civilisation (S. and B. Webb).
Guide to Political Economy (Spencer).
Economics for the General Reader (Clay).
Principles of Political Economy (Gide).
The Works Manager of To-day (Webb).
Machinery of the Mind (Firth).
Social Psychology (MacDougall).
Psychology: A Study of Mental Life (Woodworth).
Psycho-Analysis (E. Jones).
Nursery Years (Isaacs).
Textbook of Sociology (Dealey and Ward).
Europe Since Napoleon (Lovett).
Short History of the World (H. G. Wells).
Landmarks in English Industrial History (Townsend and Warner).
Tillage, Trade and Invention (Warner).
The World of Labour (Cole).
Labour in Wartime (Cole).
War and Democracy (Seton Watson and others).
The New Social Order (Atkinson).
Marx and Modern Thought (Portus).
Modern Economic History (Heaton).
Shadows and Realities of Government (Bland).
Psychology and Education (McRae).

I might draw attention to the fact that the last five books on this list have all been printed and published in Australia, and all, with the exception of "Psychology and Education," have been published by our Association, which may be accepted as evidence that we are very far from opposing any move which would encourage the local production of books; but we do not think it would be possible to replace any of the other books on this list by local production. A tax on them would be purely a revenue-producing tax, which, I feel sure, the advocates of the proposed tariff and the present Government do not desire.

3. For the bulk of their reading our students are wholly dependent on libraries. Attached to each class there is a small library, supplied by the University on loan. Our Association also provide a central lending library. Our average annual expenditure on books for our central lending library and by the University on books for class libraries is approximately £250 per year. This is as much as we can possibly afford. Any additional cost which may be added by Customs duty would mean that the number of books purchased would have to be reduced.

4. Reviewing the books placed in our libraries, the number which could possibly be printed in Australia is, in our opinion, wholly disproportionate to the tax on knowledge which a tariff would impose. I tender herewith a catalogue of our central lending library in support of this opinion. There are approximately 2800 imported books included in this catalogue, and of this number I doubt if 10 could have been printed in Australia, the sale for most of them being much too small.

5. Last year we added 517 books to the central lending library. Probably another 400, many of them duplicates, would be added to class libraries. Of the number placed in the central lending library 16 were books printed in Australia. That included the Year-Book, and also the Index to the Sydney "Morning Herald."

6. We have every desire to encourage the local production of books, and have, in co-operation with the other State Associations, provided a series of monographs and textbooks dealing with Australian social problems, but even here we have been hampered by the difficulty of Australia's small market. Included in our series was a book by the late Mr. Justice Higgins, "A New Province for Law and Order." When arranging for the publication of this book we found it impossible to persuade an Australian publisher to take it up as a commercial proposition. We were forced to give it to an English publisher, Messrs. Constable and Company, and their estimate of the Australian market, apart from our Association itself, was 500 copies, and I am sure their estimate was not very far out.

I should be pleased to supplement this statement with verbal evidence, and would like to add the following resolution, which was passed by the Council of our Association and indicates very clearly what their attitude is:—

"This Association views with alarm the proposal to impose Customs taxation upon books, which would make it still more difficult for working-class students to obtain the texts they require, and make it impossible to maintain our class and central lending libraries at their present standard.

"In our opinion the proposed tax would have no compensating effect worthy of consideration in relation to the tax on knowledge which it would impose. We would point out that none of the cheaper educational works, such as the Sixpenny Series now so popular in England, or the W.E.A. Outlines, a series of books published by our own Association in England for the use of our students, and retailed generally at prices ranging from 1/3 to 2/6.

"We are in complete sympathy with the general intentions of those who would foster the growth of Australian literature, and we would support the alternative course of providing a bounty to assist the publication of desirable books by Australian writers. The Association strongly urge these important considerations upon the Commonwealth Government."

Q.—What membership has your Association?—In New South Wales approximately 1800.

Q.—And from where are they gathered. Are they all workers?—I could give you the best answer to that by giving you the statistics of the occupations. There is last year's list. (Produced.)

Q.—Would you say they are mostly good Unionists?—We never ask them whether they are Unionists or not, so long as they have a desire to study. Of course, our propaganda is circulated amongst wage-workers, but the classes are not limited at all, and, particularly in the country districts, they must be rather representative of the towns, and not representative of any particular class.

Q.—What I am interested to know is whether organised

labour, as represented by your members, is against this proposition?—Well, organised labour is very strongly represented on our Central Council, which passed that resolution.

Q.—It is very strongly represented?—Yes, I suppose out of 60 members eligible to sit on the Council you could say over 30 of them are direct representatives of Labour organisation. A number of others representing the classes may or may not be.

By Mr. Kelly.—A number of the others would be from educational institutions. They would not be representing the employing classes to a large extent?—No. Our classes are entitled to membership on the Council. You can describe them as educational, and, of course, the University and the Department of Education are also represented.

By the Chairman.—Was this resolution which you read carried unanimously?—No, there was one dissentient.

Q.—Was the announcement of the intention to put up this resolution broadcast before the meeting?—I do not remember whether it was on the business paper; it came up under correspondence.

Q.—Can you say how many members were present at the Council meeting which carried the resolution?—Roughly, about 25.

Q.—And there was only one dissentient?—Only one dissentient.

By Mr. Kelly.—Do you know of any other attempts anywhere else to safeguard the building up of local literature by means of a tariff. We know of the restrictions placed on importations of books in the United States. If you have any criticism in reference to the result of that, it would be of interest as to whether it is or is not successful in its aim of building up literature. Do you know of any other attempts anywhere else?—I do not know of any attempts outside of the U.S.A. I understand that the U.S.A. have a strong agitation to repeal the legislation in this connection. In any case the comparison between the United States and Australia is not a very good one, looking at it from the point of view of Australian writers, at any rate. If you restrict the market for Australian writers to Australia it would affect them to a greater extent than the same restriction in the United Sates, because there is certainly a much bigger market there.

Q.—You do not know of any other attempt?—No, I do not know of any other attempt.

Q.—And you think the best way of building up the literature in Australia is to give access to the world's literature in the freest possible manner?—Yes, and I believe that it would be worth while to assist the production of Australian literature by a bounty. I know by experience with the type of book that we handle, at any rate, that, unless it has the good fortune to be adopted as a general textbook by some of the big colleges, or by some of the Educational Departments, there is practically no hope of making a commercial success of the publication. We have financed some publications ourselves, and lost money on them, and, as I say, it has to be assisted by some college. For example, I know several books the publication of which has been partly financed by the Higginbotham Scholarship in Melbourne.

Q.—Have any of those five books that you published been a success financially?—Two of them, I can say, have paid their way. As regards "Psychology and Education" I do not know, because we did not publish that.

Q.—Professor Heaton's book should have been a fair market?—Yes, that paid its way. I do not know whether you could call it a commercial success, but we have not lost any money on it. The other one is Professor Atkinson's book. We were fortunate to have it adopted as a textbook by certain colleges.

(Witness withdrew.)

ALEXANDER JAMES DONALDSON GRAY.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—I am the General Manager for Gordon and Gotch (Australasia) Limited. Our head office is 509 Little Collins street, Melbourne, a company, so far as its Australian interests are concerned, having houses in all the capital cities of the Commonwealth. The shareholders, numbering 1250, are, with a few exceptions, resident Australians. The whole of the capital of the company was subscribed in Australia.

Gordon and Gotch (Australasia) Limited hold the distributing rights in the Commonwealth and New Zealand for the leading magazine and periodical publishers of Great Britain, including the Amalgamated Press Limited (issuing approximately 125 publications), George Newnes Limited, C. Arthur Pearson Limited, Odhams Limited, Weldons Limited, and a number of others. The company is also the Australian representative of the American News Company Incorporated, which controls the bulk of the United States magazine distributing trade; the Curtis Publishing Company, of Philadelphia ("Saturday Evening Post" and "Ladies' Home Journal"); Street and Smith, of New York; the Butterick Publishing Company, of New York; and Macfadden Publications Incorporated, of New York. These publishers issue various weekly, fortnightly or monthly publications, and on a conservative basis it may be stated that Gordon and Gotch (Australasia) Limited altogether distribute in their wholesale department between 400 and 500 imported publications.

In their subscription department, which caters almost exclusively for class and technical journals, well over 1000 different oversea publications are dealt with. I think that is very conservative. If we went into that I think we would probably double that number. The large amount represented as being the value of publications and printed matter imported into Australia is, so far as the publications are concerned, distributed over thousands of titles and dates. No particular publication has a circulation in any way equal to that of a similar Australian publication. It is the aggregation of the extensive variety which accounts for the substantial import value. A large section of the company's business is the distribution of publications issued by Australian publishers.

The company has a staff of approximately 800 engaged in their Australian business, a large number of whom are employed in the department distributing magazines and periodicals.

The distribution of publications is effected through newsagents, of whom there are 4853 in Australia. Newsagents, in turn, supply many sub-agents, so that the total number of businesses engaged in this work of distribution is between 6000 and 7000. With comparatively few exceptions the newsagent has a staff of assistants, the majority combining with their newsagency trade the business of a stationer. It would be a conservative estimate to say that from 20,000 to 25,000 people are engaged in one way or another in the business of distributing newspapers, periodicals and magazines. The recognised newsagents are located:—

1449 in Victoria.
1388 in New South Wales.
851 in Queensland.
538 in South Australia.
495 in Western Australia.
132 in Tasmania.

It will thus be seen that the business of distributing newspapers, magazines and periodicals has developed considerable proportions, and any action which has the possibility of restricting the means of earning a livelihood of such a large section of the community must be seriously considered.

My evidence will be directed to pointing out the fallacy of the contention that:—

(a) "The great proportion of the imported publications can be produced as a sound commercial proposition in Australia."

(b) "That the result of a duty on magazines and periodicals will provide employment for 10,000 people."

These, I understand, are the main arguments in favour of the imposition of a duty. I will have to quote certain figures, but they are given with the object of assisting the Tariff Board, and not for public information.

In considering the question of imported publications a distinction must be made as between magazines and periodicals. Magazines are largely educational. A limited number concentrate upon fiction, but in the main magazines are devoted to the publication of thoughtful articles and the discussion of scientific problems. There are many reasons why the production of magazines would not be a sound commercial proposition in Australia, the principal being the comparatively limited population in the Commonwealth, which would not permit of a sufficient circulation to warrant the outlay. I have taken out the circulation figures of 34 of the principal popular reading magazines imported, and they show an average circulation in Australia of 3316. The minimum circulation of any of this class of magazine is at least 150,000. It requires no argument to convince the most ardent advocate of a duty of the impossibility of producing high-grade magazines with an average circulation of 3316. It is idle to argue that the combined circulation is possible if the 34 magazines referred to were concentrated into a limited number which could be produced in Australia. These magazines cater for a variety of tastes in reading, and it is impossible to fix the standard of reading to suit all classes. They are at present produced in large numbers for distribution throughout the Empire, and, because the initial cost of printing, authors' fees, copyright, etc., are spread over a great output, the cost of production is reduced to such an extent that the retail price is within the compass of the great bulk of our people. Another factor which contributes to the low production costs of the popular magazines is the large advertising revenue secured from advertisers because of the extensive British circulations. This oversea advertising revenue would not be available to any extent in a purely Australian edition, nor would local advertisers be attracted by the comparatively limited circulation of the magazine produced locally.

It is an acknowledged fact that the magazines with the greatest appeal to the average reader carry the bulk of advertising. Consequently the imposition of a duty on the advertising section would seriously affect the sales of this class of publication, and the poorer grades, which carry little or no advertising, would be favoured. The advertising matter appearing in magazines, which is not primarily intended to effect sales to Australian people, and which is not applicable in the majority of instances to Australian conditions, is in an altogether different category to the imported advertising matter designed to create Australian sales, and which is already subject to duty. A great proportion of the advertising in the magazines is of little or no value to Australian readers from a purchasing point of view, and is therefore not competitive to Australian manufacturers. Any suggestion that the advertising section should be subjected to taxation is not equitable. The Australian circulation would not warrant the publishers incurring the expense of removing the advertising pages, and, consequently, the assessment of the tax would involve great inconvenience for comparatively small financial results, in addition to practically prohibiting the distribution of high-grade publications in Australia. Moreover, such a duty would in no way be to the benefit of the Australian printer, inasmuch as it would be discriminating in its operation, and not protective.

That protection is unnecessary to locally produced publications of the type which have a strong appeal to Australian people is evidenced by the fact that we have already quite a number of very successful weekly and monthly journals, which, by reason of the contents being up-to-date and topical, command a much greater circulation in Australia than any imported publication. I may say that as far as I can see none of the proprietors of these publications are applying for a duty, excepting one. A few of these may be quoted, viz.:—

Australian Home Journal.
Aussie
Australian Journal.
Everylady's Journal.
Home Beautiful.
Home Budget (which is applying for a duty).
Humour.
Life.
New Idea.
Popular Hobbies.
Stead's Review.
The Home.
Woman's Mirror.
Woman's Budget.
World's News.

There are a number of technical and wireless publications published in Australia, which are much more widely sold than the imported competitive issues. To tax similar imported scientific publications would be placing Australia under a considerable handicap. Local publications of this nature are purchased for the local interest and their special appeal to Australians. Oversea publications are purchased because they reflect oversea thought and conditions—one in no way clashes with the other. Oversea technical publications render good service to Australian manufacturers in keeping them abreast of the times.

To give some idea of the number of magazines which are issued, and which are available to Australian readers, it is interesting to note that recent subscription catalogues embrace 1274 English publications, 1066 Continental, and 2961 American. These publications cater for all interests—educational, industrial, scientific, travel, literature, historical, fiction, etc. Most of them are imported in small quantities, but are principally read by specialists in their various lines of thought, scientists, scholars, manufacturers, etc., and their influence is widespread. The outstanding fact is that, while the variety is large, the individual quantities imported are relatively small, and their influence is great. An analysis of these catalogues shows that probably three-fourths of the publications are devoted to scientific and technical subjects, religion, agriculture, etc., a small percentage to fiction, while not an inconsiderable number are devoted to thoughtful articles on social and economic problems. It would surely be a retrograde step for a country geographically isolated, as is Australia, to erect a tariff wall with the object of limiting the distribution of publications which set out for our edification various aspects of world problems of all kinds. Australians welcome and seek to know the thoughts of the world's educationalists and historians, the current progress of events, and have always evinced a desire to acquire up-to-date knowledge of world affairs generally. The tie that binds the great British Empire exists in no small measure because of the dissemination of reading matter found in the pages of the literary magazines of the day.

Periodicals, as distinct from magazines, appeal to different sections of readers. Broadly speaking, they include children's papers, women's and family papers, and fashion journals.

Children's papers may be subdivided into three sections —comics, boys' and girls' papers. The first-named provide for the younger children a healthy and harmless amusement, and have a distinct influence, inasmuch as they cultivate a taste for reading. The reading matter is designed to suit children of varying ages, and the illustrations are attractive and devoid of any vulgarity. In many instances words are syllabified to assist the younger children in their reading. A section of these papers is distinctly educational, as, for example, "Children's Newspaper," edited by Arthur Mee, whose reputation as a writer on subjects which interest and educate the young mind is world-wide.

To assist the Board in determining whether it is possible to produce this class of literature successfully in Australia, I propose to refer particularly to the coloured comics, because they command a wider circulation in Australia than any other class of periodical issued. As circulation is the basis of successful production, if the argument against the local production of coloured comics is sound, it is surely much stronger when applied to other and less widely circulated periodicals.

Coloured comics are printed in two and three colours. The plant required for printing is necessarily complicated and expensive, and for economical production must be employed during the whole of the working week. The normal rate of production of the plant is 10,000 copies per hour, equivalent to 400,000 weekly. The staff engaged in the compilation of this class of literature are specialists in their various departments, and the organisations are designed and equipped for this particular business. The success of any of these issues is dependent upon a regular circulation of at least 150,000 copies per issue. This figure is supplied by the British publishers. The average circulation in Australia of the twelve coloured comics is 15,296.

It may be contended that the present combined circulations could be concentrated upon one or two publications, but my answer is that our experience shows that children are even more fastidious than their elders in respect to their choice of literature. Each of these publications caters for children of varying ages, and what has an appeal to one section does not interest another. It is the considered opinion of all the managers of our company and departmental managers interested in this particular business that it would be impossible to concentrate the varied appeals of children's papers into one or two publications.

If, under more favourable circumstances than we assert could possibly exist, and irrespective of cost, it were possible to produce these comics in Australia, not more than one or two could be printed here, for even the total sales, assuming quite unwarrantably that one or two could attain the total sales of twelve, would be insufficient to utilise the capacity of the machines necessary for this work—machines with an output of 10,000 per hour and an enormous overhead and maintenance cost. It must also be remembered that no general advertising can be secured for this class of children's papers, but the publishers use them as a means of announcing features in respect to allied publications, which take the form of advertisements.

The bulk of these coloured comics and other children's papers are distributed in industrial centres. Our managers have very carefully analysed the circulation of this type of publication in the metropolitan areas in Australia, and find that the percentage distributed in industrial areas is as follows:—

	Per cent.
Melbourne	66.84
Sydney	75.00
Brisbane	38.00
Adelaide	49.80
Perth	45.00
Launceston	39.53

From these figures it will be seen that the children of the industrial classes would be affected principally if a duty were imposed on these publications, and would probably be deprived of what is now a great and inexpensive source of interest and amusement to them were the existing excellently produced publications increased in price.

It is owing to the number of publications arriving, which are distributed simultaneously to newsagents, that the

cost of handling is reduced to such an extent that the majority of these publications are retailed in the metropolitan areas in Australia at the same price as they are being retailed in Great Britain.

Emphasis is laid upon this point because it is surely a rather commendable fact that after allowing for freight and handling charges the Australian child is able to purchase his papers at the same price as the child in Great Britain, where there is practically no transport charge.

The Boys' and Girls' Papers cater for children of maturer age, and, although they are not illustrated in the same way as the comics, the cost of production would be prohibitive when the Australian circulation is taken into consideration.

To substantiate the contention that the circulation of imported publications would not justify local production, the following figures are quoted, representing imported publications, i.e.:—

13 Women's Publications with an average circulation of 3055.

15 Fashion Journals with an average circulation of 4332.

13 Family Papers with an average circulation of 2157.

The imported fashion papers contain patterns, which are already subject to a duty of 1/ per lb. (English) and 1/6 per lb (foreign). That has recently been increased to that figure. There was a 50 per cent. increase recently imposed. I need not look any further for argument against an increased duty on this class of publication than to direct attention to the wide circulation obtained by similar papers printed and published in Australia, some attaining a circulation of well over 100,000 per issue. These locally produced papers have circulations many times greater than that of any English fashion journal in Australia, largely because of the decided advantage enjoyed by the Australian in the production of seasonal patterns, whereas the imported publications contain designs suitable only to the English season. Fashion journals are of great value to the ladies of the community, and particularly dressmakers and milliners, as a guide to coming fashions.

Family papers are purely of a domestic character, containing household hints, fiction of an elevating type, and are thoroughly up-to-date in their advice to housewives. They include Sunday papers, which are strictly religious publications of the type of "British Weekly," "Sunday Companion," "Christian Herald," "Jewish Chronicle," "Catholic Times," etc., and find their circle of readers amongst the religious community. They are contributed to by leading divines and men of letters.

If newspapers are included in the proposals for duty, I would remind the Board that there are many technical, medical and business publications which are designated under the heading of newspapers. The great weeklies, such as the London "Weekly Times," "Illustrated News," "Graphic," "Sphere," "Daily Mirror," etc., come within the designation of newspapers.

Technical and medical newspapers are particularly valuable to the professions and trades of the Commonwealth, while the illustrated weeklies have a distinct influence on Empire unity. Already our great illustrated weekly newspapers cater for the section of the cammunity which looks for illustrations of local events, but the "Illustrated News,' "Graphic," etc., illustrate events which are beyond the scope of local publications.

I would emphasise the impossibility of producing in Australia even an extremely limited number of the publications at present imported, unless at greatly increased cost, which might possibly make the retail price prohibitive, and therefore the argument that additional employment would result from the imposition of a duty has no sound foundation. The duty would not force publishers to establish factories in Australia or to give the printing of their publications to established printeries. The only effect of such a duty would be to increase the price to the reader, and assuredly circulations would substantially diminish. Apart from the adverse influence this would have on the Australian people as a nation by reason of not having at their command the magazine literature of the world, it would be disastrous to the newsagency trade, in which there are, as pointed out, at least 20,000 people engaged. It is not contended that newsagents are solely dependent upon the sale of imported publications for their livelihood, but the business is an important section with them, and any restriction in trade must inevitably be followed by a reduction in staff, and in the case of the smaller agents the possibilities are a number would be compelled to relinquish operations.

Newsagents' terms provide for a return to them on the sale of imported publications of from 25 per cent. to 33 1/3 per cent. gross, the former predominating. It will be seen that they have no margin to take care of a duty. The wholesaler's margin, after providing for all charges incidental to the distribution of publications, in no case is in excess of 4 per cent., probably 3 per cent. Thus it will be seen that it would be impossible for the trade to absorb any duty, which, consequently, must be passed on to the reader.

Books.

Consideration of the question of imposing a duty on books, other than intellectual or scientific works, brings into prominence who is to determine the line of demarcation between a work of fiction and an educational work. Charles Dickens, Sir Walter Scott, R. L. Stevenson, Galsworthy and numberless other authors primarily wrote fiction, but no one will contest the tremendous influence writers of this standard have upon the community.

During 1929, according to the Publishers' Circular, 14,086 new titles were produced in Great Britain. This enormous output is at the command of the Australian reader, and it would be a retrograde step to erect any barrier which would in any way check the wide dissemination in Australia of literature produced in Great Britain.

A substantal proportion of the books imported into Australia comprise what is known as reprints. These are reissues in a cheaper form of successful works of fiction. Printed in large numbers they are distributed throughout the Empire, and it is because of the extraordinarily large circulation thus achieved that they are retailed in Australia at a comparatively low price. Thus the Australian reader has at his or her command the fiction literature of the British market at prices well within reach. In a later paragraph I will deal with a venture which the company I represent made in printing and publishing somewhat similar issues in Australia. We failed, not because our titles did not appeal, but because it was impossible to dispose of a sufficient quantity in Autralia to make the proposition commercially successful. I produce reprints of books.

By Mr. Kelly.—What about the coyprights?—Those are English productions.

Q.—Yes, I know those are reprinted?—Yes, those are imported reprints. My point is that, being reprinted, they are able to be sold here at a low price. They are comparatively recent books.

By the Chairman.—Are they reprinted by the original publisher?—Yes.

Q.—In each instance?—Yes.

By Mr. Berchdolt.—Are they sold at these marked prices?—No, there is 6d. advance on those. My statement continues:—

I am not unmindful of the fact that books have been printed in Australia and retailed at a lesser price than in the country of origin. This is quite understandable with certain works which are outstanding, and to realise the reasons why these particular issues were sold at a cheaper rate in Australia it would be necessary to become fully acquainted with the details of each arrangement with the author and publisher. It is quite conceivable that a different basis of author's royalty was established in respect to Australian issues, and generally the Australian issue is not comparable in appearance with the original edition. That books of this character will be produced in Australia in future in larger numbers without the aid of a duty is undoubted, but it must necessarily be a slow development, which will not be assisted by the imposition of a duty. Success depends entirely upon the volume of circulation.

Reference has been made to the fact that books designated as Colonial Libraries are sold cheaper in Australia than the same book issued in the English edition. That is partly made possible by the variation in the payment of author's royalty. In Great Britain royalties are paid according to the retail selling price (7/6). For the Australian (or Colonial) edition the royalty is paid on the rate charged by the publisher to the wholesaler, approximately 3/.

By the Chairman.—Is it an ad valorem royalty?—Yes, it is per value. My statement continues:—

The establishment of the system of issuing a Colonial Library edition dates back many years—probably half a century. The British publisher, to encourage export trade, determined upon the creation of the Colonial Library, and what was originally established as an experiment has developed into a custom which no bookseller would like to see altered. Colonial Libraries are issued simultaneously with the English editions, and are mostly confined to works of fiction.

It would be impossible to produce in Australia anything approaching the variety of fiction now available by drawing upon the Home market. Obviously also, because, as pointed out, of the large printing order originally placed in England, costs of production are reduced, whereas if the local publisher had to rely upon the Australian field entirely for circulation the production costs must, by reason of the limited demand, be considerably advanced.

Books are educational and informative. There are exceptions to this general rule, but ample provision already exists in the Customs Department to deal with these exceptions. Any action which would have a restrictive influence in the dissemination of educational information is surely not in the best interests of the community.

Books are in a class by themselves, and cannot be considered in the same way as ordinary merchandise. The amount of protection would fluctuate according to the circulation of each particular book. There are thousands of books which only have a limited circulation in Australia, and the protection necessary to enable them to be produced profitably locally is an indefinite quantity. Preliminary production costs are the same whether a book has a circulation of 1000 copies or 100,000. Included in the preliminary production charges are the typesetting, reading and correction, and author's remuneration, which is determined by the extent of the sales. Before these costs can be covered, in the case of an ordinary work of fiction, a circulation of at least 2000 copies is necessary. Recent advices show that only exceptional novels reach a circulation of 1000 copies in Australia. It was stated at the Booksellers' Conference recently by a leading bookseller that with many authors an offer of 250 would be sufficient to secure the rights for the Australian market. The same gentleman also estimated that about one in every 1000 novels produced in Great Britain would show a profitable return on a purely Australian edition.

The imposition of a duty would necessarily mean an increased retail price, affecting sales proportionate to the increase, with the result that many of the smaller bookselling businesses would in all probability be compelled to dispense with assistants. Thus, instead of creating employment, the effect of the duty would be the reverse.

A duty would not be to the benefit of the Australian author. The most popular Australian authors can only rarely command a sufficiently large sale in Australia to warrant local production. They have to take advantage of the world-wide selling organisation which oversea publishers have at their command, enabling them to sell quantities far in excess of what an Australian publisher could sell of the same work, and, as the average basis of remuneration is a royalty on the number sold, obviously the Australian author is best served by the British publisher.

A tax upon books would penalise approximately 95 per cent. of the publications read by the public, to the benefit of 5 per cent., which would be printed in Australia.

The company which I represent has already had some experience in the production of paper-bound works of fiction. Our first effort was in 1913, when we published nine titles of 5000 each. The cost of production varied from 3½d. to 5½d. per copy, according to the bulking of the contents. Royalties varied from ½d. to 1½d. per copy. We were able, owing, perhaps, to the restriction of supplies from overseas during the war years, to dispose of this stock, although, I am advised, the financial returns were not satisfactory. In 1919-20 we produced a further nine titles, with editions of 5000 in the case of five titles, and 10,000 in the case of four titles. The authors were good—Sewell Ford and Harben principally. The production costs varied from 4½d. to 7d. per copy, and the royalty was paid on 15,000 each of Sewell Ford's books, but only 10,000 were printed. One title on which royalty on 15,000 copies was paid was not produced. In 1923, owing to the lack of demand, stocks of these titles were written down to 2½d., and last year some thousands of the remainder were sold at 1½d. each. The loss on this venture, irrespective of working expenses, was £1200. Similar works are now being landed from England at 4½d. per copy, inclusive of royalty. As already pointed out, the venture was unsuccessful, because we were restricted to the Australian and New Zealand field, which was not sufficiently responsive. A British publisher would regard a circulation of 5000 of a title of a paper reprint in Australia as an outstanding success.

Our venture in the production of picture books was equally unsatisfactory. We produced 95,000 picture books at a cost of from 3d. to 1/1½., according to the style of book. The total production cost was £3356/19/6. In successive years we depreciated our heavy remainders, until we were offering them from 1d. to 2½d. per copy. Ultimately, in 1927, we wrote out the balance of the stock, and destroyed thousands. Admittedly, our picture books were not comparable in appearance with the imported issues which they had to meet in competition, hence our failure. To enable us to issue picture books to compete successfully our initial cost would have probably made the retail price prohibitive. This condition would still obtain if a sufficiently high duty to permit of Australian issues of this class of book were imposed.

Books are produced in Great Britain by printing factories which concentrate upon this class of work. The average general printer, such as we have in Australia, is not at all interested in producing books. Book production is a section of the printing trade which is highly specialised.

As an illustration of how essential the British publishing house is to the Australian author, I would mention Frank A. Russell's novel, "The Ashes of Achievement." This was published in Australia some few years ago, the printing being done by a Melbourne firm, the Specialty Press. For some unaccountable reason—not the lack of merit in the work—the book was not a success in Australia, with the result that a large number were sold at a greatly reduced price. Quite recently T. Fisher Unwin Ltd., publishers, of London, have incorporated this work in their "First Novel" Library, copies of which have just reached Australia. It is rather significant, as emphasising the failure of this book to make good when originally published in Australia, that the edition now issued by T. Fisher Unwin Ltd. bears the imprint of the Melbourne printer. Evidently the sheets, as printed in Australia,

were sent to England to be bound and issued by the English publisher.

On the best of authority I am advised that the Master Printers' Associations in the various States, who should be the best judges of the effect of the proposed duty, have rejected the proposal that a duty should be imposed on books, magazines and periodicals.

On the question of the amendment of the Copyright Law I do not propose to go further than to quote from the "Publisher and Bookseller," London, February 7th, 1930:—

> "To alter the Copyright Act in the way suggested, and make copyright in Australia dependent on manufacture in the Commonwealth, would be almost more unwise than to impose an import tax on books, as it would be a cruel blow against the interests of the native-born Australian writer. It would cut him off from the other markets of the British-speaking world, as such an alteration of the copyright law would make it necessary for Australia to withdraw from the International Copyright Union, which secures to a writer his copyright in practically all the civilised countries of the world, since the prime condition of membership of the union is that copyrght should be protected, without any conditions or formalities at all. Can Australia offer her writers such a home sale of their books that it will compensate them for the loss of the wider markets?"

My objections to the proposed duties are:—

(a) That, even if the higher rate of duty suggested were adopted, it would not be followed by the production to any extent in Australia of books, magazines or periodicals at present imported, inasmuch as circulation is the basis of profitable production, the population in the Commonwealth will not, for many years, at the present rate of progress, be sufficient to secure the necessary circulations.

(b) Consequently, as the result of a duty, little or no additional employment could be offered Australian workmen.

(c) Necessarily, any duty would require to be paid by the reader. Consequently the duty would constitute a tax on knowledge.

(d) Because of the increased retail price necessitated by the imposition of a duty circulations would inevitably diminish, and the revenue results be disappointing.

(e) Diminished circulations means reduced opportunities of employment. A well-established industry would be seriously interfered with, without any corresponding benefit to any section of the community.

I am submitting a further short statement, as follows:—

It is impossible to traverse the whole of the statements made by the claimant in favour of the duty at this session, and I ask the Board's permission to be allowed to reply in greater detail at the next meeting. There are, however, one or two outstanding statements which should not be allowed to pass unchallenged at the earliest opportunity.

Fiction, we maintain, is educative, and in a large measure of good influence. The few exceptions, which receive so much free publicity, cannot rightly place a stigma on the thousands of titles of wholesome fiction which have helped us all to while away many a pleasant hour, and have, incidentally, played an important, though, perhaps, an unconscious part, in moulding our reading tastes.

Fiction is not dumped on this market to any noticeable extent. It is rarely, indeed, that any Australian importer would consider taking the risk of incurring importing charges on publishers' remainders. Exceptionally cheap books, selling at 7½d., are large-quantity productions, and are a boon to those who must practise economy in these matters.

Children's Annuals (samples produced) are compiled to appeal to the children, and are both instructive and entertaining, with a high moral tone throughout. They are produced in England in enormous quantities, and are replete with illustrations, coloured and otherwise, to an extent which would make it impossible to produce them in quantities saleable in Australia at many times the price. Illustrations and blocks particularly are an exceptionally high initial expense.

Children's Comics sell at 1½d. to 2d. each on their merits, and are not comparable in any way with Sunday paper supplements. The English publishers have the greatest difficulty in securing contributors and artists—this difficulty is much more pronounced than with adults' papers, as some Australian dailies who have tried to emulate the successful supplements which are to-day in existence could testify.

The claimant referred on more than one occasion to "the deluge of competition from imported fashion journals." I have quoted you figures to show that the allegations of a deluge are in the nature of a myth. The catalogues to which reference was made are, I understand, imported as advertising matter, upon which duty of 1/ per lb. in the case of the English publications, and 1/6 per lb. in the case of American publications, is being paid. These catalogues are not handled by my company, and do not come within the scope of periodicals. When English fashion periodicals do make reference to an Australian pattern address, they are classified as advertising matter, and duty is levied at the rates above quoted.

The fact that some of the patterns (not all) are obtainable locally is indicative of a demand which overseas publishers feel they must provide for. To our certain knowledge some of these local pattern agencies are quite unprofitable to the publishers.

The supplies of fashion books were not cut off during the war—at no time was there more than five weeks between shipments—and supplies arrived by each mail-boat in larger quantities than at present.

The editions marked "Australian Edition" are similar in every respect to the English supplies. The distinction is necessary, because an Australian price is shown, or the English price is deleted. These supplies are portion of the first and only printing, and are shipped as soon as they are off the presses.

The proposers in the case for a duty mention £6,000,000 as the additional production in Australia which would follow a duty. They claim 11,000 additional employees would be engaged. As these figures apply to all classes of paper and paper manufactures, it will be clear that not much of the £6,000,000 will consist of books and magazines, of which only £1,300,000 in value are imported. As employees to production equal only one to every £550 of general printing manufactures, and as books call for less labour than other classes of printing, it is safe to say that extra production of £250,000 (in our opinion quite an impossible attainment, but mentioned merely to demonstrate our point) would create employment for 450 employees—something quite different to 11,000—and at that not nearly within the realms of possibility.

Incidentally, it was stated that one of the burdens placed on the local printer was the result of a 10 per cent. increase in paper in anticipation of a surtax. The increase was agreed to by merchants, but not 10 per cent. on all papers, and was in consequence of high exchange costs. We know this, because we were parties to the arrangement.

With regard to the statement that special consideration is paid to the development of sales of imported publications, as compared with Australian, I direct your attention to recent issues of the "Newsagents' Bulletin" (produced), issued by my company fortnightly to the newsagents, reference to which will show you that prominence is given to increasing sales of Australian publications. English publishers are just as alive to the opportunities of developnig sales as the Australian publishers, and my company co-operates just as cordially with the Australian publishers as with the English in this direction.

Another point I would desire to impress upon the Board is that the Australian importations of magazines and periodicals do not represent an overprint of the supply. In almost every case definite orders are placed by my company, and executed by the publishers. The exceptions are when a new publication is placed upon the market, and we have no opportunity of fixing our actual requirements until the market has been tested.

The suggestion that 25 per cent. additional duty should apply for each additional colour would be absolute prohibition (some publications running to eight colours, and nearly all four or more), and would, therefore, save the Customs the impossible task of discrimination.

The Witness (continuing).—I would like to say that I submitted the statement to the other leading wholesale representatives in Sydney, Edwards Dunlop and Company Limited, and I have received the following letter from them:—

3rd April, 1930.

"Messrs. Gordon and Gotch (Australasia) Ltd.,
Sydney.

"Dear Sirs,—We have read a copy of the evidence which your General Manager proposes to submit to the Tariff Board in connection with the suggested imposition of a duty on books, magazines and periodicals. We would say that we think Mr. Gray's statement of the position is entirely fair and in complete accordance with the facts of the case. We desire fully to associate ourselves with you in the reasonable protest which you are making.—Yours, faithfully,

(Sgd.) EDWARDS DUNLOP AND CO. LTD.,
WM. P. DUNLOP."

By the Chairman.—Do you say definitely that the statement referred to in Edwards Dunlop and Company's letter covers the evidence which you read?—Excepting the last short statement. It covers the whole of my first statement, covering 17 sheets.

Q.—Regarding comics, there are some comics produced in Australia now. Reading your evidence, one would almost come to the conclusion that you think it was impossible to produce comics in Australia?—That is for the Sunday papers—the Sunday supplements. They are not in the same category. If you make a comparison, I think that will be obvious. I have samples of the English productions here. (Produced.)

Q.—You think the same printing difficulties are not inherent to the production of a supplement?—They are not as large, and not the same quality.

Q.—You think, then, that the fact that the supplements are produced here is no argument that publications such as you have circulated could be produced here?—No, and, moreover, they are used as an incentive to the circulation. No one knows what the cost of the production of those amounts to.

Q.—You admit there was a very large circulation of some fashion journals printed in Australia?—Yes.

Q.—Is that an acknowledgment that Australia is in a position to get early information of the necessary changes of fashion?—It is largely because of the topical nature of its contents, in addition, of course, to the fact that they produce seasonal patterns.

Q.—Does that not indicate that all the fashion journals necessary for Australia might well be produced in Australia?—No, because at the present time these are produced in Australia, and their circulations are very far in excess of the imported, and still the imported ones are required for advance fashions. They have advance fashions.

Q.—You do not suggest that every Australian fashion publication is out-of-date in its issues?—No, it is seasonal.

Q.—And the other is in futurity?—The English publication is for the winter, and we get it here in the summertime.

Q.—You made a reference to the fact that these publications referred to as catalogues now pay duty as advertising matter?—As far as I know.

Q.—As a matter of fact, the witness yesterday produced some publications which were purely catalogues?—Yes.

Q.—But he produced others, which, he said, were essentially catalogues that were issued under the guise of a magazine or a periodical; that is, they contained stories and other information?—True.

Q.—And in conjunction with that a catalogue of patterns. Those, I am inclined to think, do not pay duty?—He referred, I think, to Weldon's.

Q.—They are imprinted after they arrive here with the name of an Australian house. That point, my Secretary confirms, decides whether or not they should pay duty. That is, by merely leaving a blank page somewhere in an accessible part to add an imprint in Australia, they evade the duty?—That is purely the catalogue, not the fashion paper—the fashion journal. Take Weldon's; that is a fashion journal, as compared with Butterick's.

Q.—McCall's and Butterick's?—They distribute those free. Whether they pay duty or not, I cannot tell you, because we do not handle them; but in Weldon's there is no trace of an Australian pattern. They are fashion journals, and they are not imprinted when they get here.

Q.—They pay no duty?—Not on the journal. They pay duty on the pattern.

Q.—The point I want to make is that the only one that pays duty is the one which is wholly a catalogue?—Yes.

Q.—That may help the applicant to a slight degree, but I do not think it would satisfy him to withdraw his request?—No. Take Weldon's catalogue. That is dutiable as a catalogue. The others are regarded by the Customs Department as fashion journals.

Q.—How many, do you consider, of those 14,000 new titles in Great Britain in one year could possibly have supported an Australian edition?—I could not tell you.

Q.—You would not make any sort of a guess?—It would be merely a wild guess.

Q.—On page 13 of your statement you say it was stated at the Booksellers' Conference recently by a leading bookseller that with many authors an offer of 250 would be sufficient to secure the rights for the Australian market. An opinion expressed is not of much value unless you give us its source. Have you any objection to giving his name?—No; it was Mr. Peters, of Robertson and Mullens.

Q.—One part of the applicant's case which he stressed pretty strongly was about a duty on books which had been printed or reprinted in Australia. Would you admit that it is a reasonable thing to ask protection in the matter of a book which had already been printed in Australia?—And then reprinted overseas?

Q.—Yes?—Yes, certainly.

Q.—You would concede that it would be quite reasonable?—Yes.

By Mr. Kelly.—Would you not put in the same adjective as the man who advocated that did—"originally"?—The same adjective?

Q.—"Originally" printed?—Yes, originally printed in Australia.

Q.—That is what you would say?—Oh, yes.

Q.—You would not agree with it if it were not?—No. I might say there was a small part of Shakespeare printed here last week. You surely would not restrict that because the book was reprinted here. If the author printed a book in Australia first, he should be protected.

By Mr. Berchdolt.—Was that a complete edition of Shakespeare?—No, Shakespeare's plays, a sixpenny edition.

SYDNEY—Alexander James Donaldson Gray

By the Chairman.—If a duty were imposed on books originally printed in Australia, to what extent would it result in printing being done in Australia that would not otherwise be done in Australia?—It would be very inconsiderable.

Q.—Would it be worth while going to the trouble of imposing the duty, in your opinion?—No, you must have the world's market to justify it. There are occasional books, such as "We of the Never-Never"—that is an outstanding one, and if originally that had been printed in Australia it would have paid—but that is an exception.

By Mr. Kelly.—Have you any knowledge of any other attempt being made to build up literature by putting a duty on books, other than the United States?—Well, Canada has a duty on books as against America.

Q.—Only against America?—I would not say "only," but that was the object. I think it is principally protected against the American issues.

Q.—You have access to this information. Could you ascertain that for us?—I will find out, certainly.

Q.—To what extent, and to what it applies?—Yes.

By Mr. Berchdolt.—And any other countries as well, if you can?—Yes, I will look into that. I do not know of any others, as a matter of fact.

By Mr. Guy.—During the war there was a big increase in the price of those comics. Did the sale drop at all?—Oh, yes.

Q.—So that price does have some effect?—I cannot do better than repeat what the last witness told you in regard to the "Saturday Evening Post." That is the latest example. In that instance, when the price went to eighteen pence the circulation tumbled, and it started to recover when the price was brought down to one shilling.

Q.—Were there any Australian productions at that time to take the place of those imported comics?—Yes, I think during those years there was one produced.

Q.—And the children were quite satisfied, I presume?—With the one brought out locally?

Q.—Yes?—It did not last long.

Q.—No, but that satisfied them for the time?—Of course, the comics were brought out here.

Q.—Yes, but there was a tremendous falling off?—Yes.

Q.—In the circulation of those comics?—There was a big falling off.

Q.—So that it was the matter of price that was governing the distribution of those?—No, you have to take into account exceptional circumstances. A lot of people did not buy in those years, and, of course, there were obvious reasons.

By the Chairman.—You referred earlier in your statement to a quotation of figures. Have you prepared any figures, other than those you have incorporated in your statement, for submission to the Board?—I have some data, but I have not got it with me. However, if the Board requires any information I will be glad to supply it.

Q.—Any information you could let us have regarding the cost of publishing would be materially helpful to the Board. Have you figures from actual experience, apart from those you have given us?—Yes, I think I could give you some information there.

Q.—If it is evidence that you do not wish published, say so when you are forwarding it, and we will regard it as confidential?—Yes, I think I have some information on that.

The Chairman.—If you would give us the benefit of your experience it would be useful.

By Mr. Kelly.—You have read the evidence in Adelaide in reference to certain books. It was really a letter which was read by the Chairman there, indicating that they had published materially cheaper here than elsewhere. You have already dealt with the question of the reduction due to subsequent editions. Do you hold that is the complete explanation of that. The illustration was given to the

SYDNEY—James Briscoe Brigden

effect that Henry Ford's book sold here at 7/6, as against 14/7 in America?—Yes.

Q.—Walter Page's book 16/, as against one guinea in America, and the "War Birds" half the price it was in America?—Of course, on that I say you would want to know the arrangement made with the author or the owner of the original edition before you could determine reasons why they were sold at the lower rates here.

Mr. Kelly.—On the face of it, it would make it appear as though the publication of those books could be very successfully carried out here. If you could submit any criticism that will throw further light on that it will be of interest.

By Mr. Guy.—You are the biggest distributors of these papers?—Yes.

Q.—Are there any restrictions in regard to the distribution of these magazines?—Yes, to this extent that we protect the agents where they give us service. In other words, we say, "In a certain district you can transact a certain amount of business," and so long as the agent gives us good service we do not put another man in competition; it is no use dividing up between two what is just enough for one.

Q.—If anybody wanted to start up in that district he would have a difficulty in getting them?—Yes.

Q.—Could he get them from that agent?—Yes, in a number of instances. We arrange that.

By the Chairman.—With an overriding commission?—He gets his supplies from the agent, and he is what we call a sub-agent, and the arrangement is between the agent and the sub-agent; some concession is allowed.

Q.—He would obviously be at a disadvantage as compared with the agent?—Yes, in that case; but you are aware that the newspapers have block areas.

By Mr. Guy.—Would that distribution be made by the agent or from Gordon and Gotch?—We insist in some areas on an agent appointing a sub-agent; on other occasions we put in a full agent ourselves where we think the district warrants it.

(Witness withdrew.)

JAMES BRISCOE BRIGDEN.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As a President of the Federal Council of the Workers' Educational Associations of Australia, operating in each State in conjunction with the Universities. I desire to offer evidence against the proposal. For your convenience I append the following statement:—

1. The Workers' Educational Associations are voluntary bodies of students, formed for the purpose of using University facilities, which are not otherwise open to their members. The major part of their activities are concerned with University Tutorial Classes, conducted by tutors appointed by the Universities in each State and financed by Government and other grants and by the subscriptions of the student members, who are chiefly wage and salary earners. These classes are held in country districts as well as in the cities, and books are provided as essential accessories to the teaching. The members are also expected to purchase texts for themselves, and the W.E.A. supplies books to its members whether they can attend classes or not. The subscriptions are very low, and the books lent are generally lent without charge, to encourage self-education.

2. The books used are, I think, wholly educational, and they are carefully chosen to give the best value for the very limited funds available. They include most of the range of books used in Universities, but comparatively few of the larger and more expensive texts. For the most part they comprise small and readable expositions of the best knowledge in each subject.

3. I have no exact knowledge of the numbers of individual books purchased each year, but I should think they would amount to about 1000—I mean separate

titles. For very few of these books the total number imported and sold would exceed 100 copies of each book for the whole of Australia, and for the whole life of the books. The majority would be imported in much smaller numbers. The importing agents would know the facts for most of the books sold in any quantity, but many are in such small demand in Australia that they can be procured only by special order, and a good deal of importing is done through the post.

4. I submit, therefore, that practically none of the imported books used by our students could be printed in Australia. My experience has been that it requires a sale of about 2000 copies of a book to allow of its being sold at a price within the personal capacity of our students. The experience of my Association is fairly extensive, both of books and of readers, and we know that the sale of a book depends very largely upon its price, and that the money now being spent on books in Australia will not be increased.

5. If a Customs duty were imposed on the books used by our students, we should, no doubt, have to pay it, or discontinue our activities. But its only effects would be to transfer some of our funds into Commonwealth revenue, and to reduce the number of individual books we could purchase and supply. Our students should have to do without books to the extent of the taxation imposed, and without the knowledge contained in them.

6. I am confident that no Government authority would wish to take educational funds into general revenue, but rather the reverse; nor would it wish to deprive the public or our members of access to knowledge. But I submit that this would be the effect of the proposal if carried out.

7. I beg respectfully to suggest to the Board that if it considers the proposal worthy of investigations, it should ascertain the proportion of the books now imported that would be taxed, and the proportion that could be produced and sold in Australia. And, further, what actual employment would be promoted in Australia both by setting up the type and by the actual printing. Finally. I suggest that the cost imposed on the users of books should be compared, including the taxation paid, and the excess costs of local printing where that was commercially practicable. If the Board is able to compare the relative value of any increased production in Australia with the cultural and intellectual costs, I hope it will do so, or, at least, give due weight to the latter consideration.

8. I should be pleased to supplement this statement with verbal evidence, and I may be permitted to suggest that if the Board thinks it desirable to promote the printing of books in Australia, there are other ways of doing so than by taxing books. And in this case a bounty paid from consolidated or Customs revenue, and contributed by the people as a whole, is obviously more equitable and less harmful than a bounty paid solely by the users of books.

9. My Association is deeply interested in the encouragement of Australian authorship, and it has endorsed a series of books published in Australia and largely dealing with Australian conditions. We are also anxious to promote the growth of a publishing industry, which would further assist towards our objective. We have no interests whatever in importing, and I speak entirely on behalf of consumers.

10. In conclusion I wish to say that it is natural that Australia should import most of its books, apart from any question of local costs, and many books can only be published at all if they have the whole world as a market. Some of these books are written by Australian authors. The Australian demand for their books is not large enough to secure publication here, but it

SYDNEY—Robert Strong Wallace

is a factor assisting publication abroad. To exclude or tax the books when published abroad would rob some of our authors of their chance of publication, and would, therefore, discourage Australian literature.

Q.—I think you are setting the Board a rather heavy task in the matter of study, but I can assure you the Board is aiming at doing it, but it realises the extreme difficulty of comparing the relative value of any increased competition in Australia with the cultural and intellectual costs. I would ask if you have studied the exemptions which the applicant himself provided?—No, I have not.

Q.—To a large extent, although it is certainly not to the full extent, it would remove some of your objections. The applicant evinced a desire to exclude technical works, and I think that possibly, on reconsideration, after hearing the evidence, he might largely extend his exemptions. In making these remarks I am not indicating in any way the feeling of the Board, either towards the exemptions or towards his proposition, but it does seem to me the exemptions were hurriedly put together, and that some of them are intended to be more liberal than the actual wording represents?—I may say on that if any considerable exemptions are allowed it will destroy the whole purpose or objective of the application. I do not think the two things are compatible. If you have very elaborate exemptions it will involve the necessity of an organisation to principally discriminate between informative works and imaginative works, and I am afraid that would be a very difficult thing to do.

Q.—Do you think it is not possible?—No, as a matter of fact, not in practical administration; it would be very difficult. It is all very well to talk about literature of knowledge and literature of power, but when you come down to separate them into so many books you will find it a very difficult proposition indeed. The amount of employment to be given in these reprinted editions, I should think, should be investigated very carefully.

Q.—I do not think that your proposition for a payment of a bounty is very simple, or more simple than the discrimination between the books. For instance, in all bounty legislation that I have seen or had anything to do with, there is a stipulation that the goods must be of marketable quality, and there are certain other restrictions. Therefore, I think you are putting up a fairly heavy proposition in the discrimination as to whether an Australian product would be of marketable quality?—I do not suggest a bounty, and I would not.

Q.—Witnesses have said there is only one judge of a successful book, and that is after it has been available for some time; it depends on how many copies you have got left?—Bounties are now paid on the publication of books in Australia by private interests.

Q.—But they are in the position of judging of the quality?—Yes.

(Witness withdrew.)

ROBERT STRONG WALLACE.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As Professor of the University and as Vice-Chancellor of the University of Sydney.

Q.—Have you any statement prepared?—No, but I subscribe to the statements which have been handed in by the Universities generally, and I speak on behalf of the Sydney University, also as a reader and scholar. I oppose the tariff on quite general grounds, which I need not elaborate. I would object to the specific items which are presented to you, as I cannot see they will do very much good. I notice they are asking for a duty on novels or works of fiction, or works of a similar character, and it it is very hard to say what "similar character" is. I cannot see that can be the slightest good to anyone, and it will be a very serious handicap on all readers here; the

only excuse, so far as I can see, is it would lead to resetting of books in Australia.

Q.—That would surely be the objective?—Yes, I should say it was impossible to reset many of these books in Australia; it would not pay. I should not think it would pay for an edition of Sir Walter Scott or of George Meredith.

Q.—There is nothing in there which excludes that; the applicant clearly intended that to be included?—How are you going to set up an edition of George Meredith and make it pay; it would be impossible. The last edition of George Meredith cost me £18/18/, and I think there were 50 copies imported. I am speaking from Melbourne experience now, and not from Sydney. They had the greatest difficulty in getting rid of those 50 sets. That is an extreme example, but there are some of Walter Scott's editions that could not be reset, and, coming down to more modern novels, many of them could not be reset. There is nowhere to draw the line.

Q.—You are not at all hopeful of any appreciable result at all in the resetting of books?—No.

Q.—And the answer suggested by other witnesses was there was not a sufficiently large market, nor a sufficient number of titles?—That is so; that also applies in a contrary direction; it does not pay to set up a book in Australia unless you get a market outside of Australia. In that I am speaking from personal experience; it is not worth your while. Then, again, as regards the second item—the application of science to industries of all kinds. Some of those items look to me to be more like political paragraphs than anything else. There is no line to be drawn between books applying to science and books of pure science. You cannot possibly draw a line of demarcation. Chemistry is pure science, and so is the application of it. We cannot draw the line at all.

Q.—That is a criticism as to the extent of the exemption?—I should think you could not possibly draft a clause of this kind which would hold water.

Q.—Supposing it was possible to draft a definition which would divide up purely educational work or books of the nature of these exemptions compared with a publication like this book, "The Enchanted Hill," would you admit there would be less damaging effect by putting a duty on a novel like "The Enchanted Hill" than by putting a duty on your works of chemistry?—No, I would make it apply all round. It is very hard to say what value a person gets out of a book like "The Enchanted Hill." He may get out of that as much value as I get out of my scientific books.

Q.—You consider a varied diet for the mind is as necessary as a variety of diet for the stomach?—Yes. Then there is an exemption clause with regard to textbooks in the curriculum of Universities, and so forth.

Q.—I would like to know from you how many books are scheduled each year in that connection?—It would be very hard to say, but a mere fraction. I mean of the books that are scheduled, that is to say, the actual books are a mere fraction of the publication of books.

Q.—How many books of ordinary fiction—I mean fiction in its widest sense, so to speak, clearly apart from any technical work—are listed? Would there be 50 listed by the colleges and universities in a year?—I could not say that. I should think that the schools generally follow the syllabus of the public examinations, which are prescribed by the University. Probably they would not go very far outside of that.

Q.—That is to say, certain authors are selected?—Yes.

By Mr. Berchdolt.—They differ each year?—Yes, they are always changed from year to year.

By the Chairman.—You could not give any estimate. Would it run into dozens, so far as the particular books are concerned?—I could not tell you. I should think it would not run into a very big figure. They might prescribe a novel by Scott. I could not tell you the number at all. Then there is another item—the question of books of all kinds which have been printed or reprinted in Australia. I do not know why "reprinted" is there.

Q.—That may mean a book which was printed abroad, then the print was set up in Australia, and then, for some reason or other, it was printed abroad again?—I cannot see that situation arising.

Q.—It may be that a London publisher might put a book on the market, then there might be an Australian edition, then there may be a further London edition. I think that is what the intention is—that books originally printed in Australia should be protected. There might be a reasonable request as regards books originally printed in Australia that the market should be protected for them. Would you not say that?—I do not think so; the situation hardly arises. A man may print a book here, and then he is forced to seek a Home market for it. You may seek another publisher to reprint for you, say, in London; but I take it the publisher has still got the right to print it here.

Q.—They say he ought to have control of that?—I printed a book myself in Melbourne, and it was reprinted by the Cambridge University Press. I much preferred the latter edition. I might say that this is out of the question altogether, as the book does not come back again into Australia.

Q.—That might be a reason why the author, if he still holds the copyright, may not object to the introduction into Australia of his book in the second print. It may be a better edition. I am not talking of an Australian edition in that respect, I am speaking of a production in the Australian style?—This clause might have this effect: if you are going to tax the Home product, the man may not print here at all. What is the use of it if he can collar the Canadian market and the South African market, and other markets, by printing it at Cambridge? Of course, he will do it. The tax might be so high that it would react in that position and in that way. I can say it is very hard to get a book printed nowadays. Take the educational books: if you wish to publish them you have to pay for them yourself. I paid £300 for an edition myself. If a man is paying for it himself he is going to the best publisher he can get. It is quite a mistake to think the publishers are bearing all the cost of these books. As regards these last clauses, they appear to me absolutely absurd. That is all I can say about them. If you are going to prohibit secondhand books and periodicals, a folio of Shakespeare and first editions could not come in. Are all our folios of Shakespeare and first editions to go to America, and we not get the chance of getting some of them? This clause would prevent a folio of Shakespeare coming in, and you could not possibly imagine such a state of affairs.

Q.—I do not think that was ever in the applicant's mind. He has tackled a very big subject, and, no doubt, he would admit in draftsmanship there could be a lot of improvements in it?—Our scholars and students depend almost entirely on remainders and secondhand copies. Our difficulties in Australia are surely sufficient. Scholars and learners here are met with very great difficulties and many restrictions, and I do not like to see any more restrictions put upon them. We cannot get books as it is; at any rate, we have to pay extra prices for them. We actually draw a good deal of our instructive literature from Home; we do not buy here, we buy or draw from Oxford and Cambridge if it is to our advantage. I also put in the plea for the private scholar and all our professors, and so on. Our difficulties are great already, and I am not speaking without knowledge. I just wanted to voice the opinion throughout the University of the general objection to any further difficulties being put upon us by the tariff. I am not talking on any particular item and producing any figures to you.

(Witness withdrew.)

HORACE BOHMER NEWMAN.

Sworn and Examined.

By the Chairman.—What is the capacity in which you are appearing?—As a British book publishers' representative, also on behalf of the New South Wales section of the British Book Publishers' Representatives' Association of Australia and New Zealand, which, in turn, represents at least fifty British publishers.

In opposing the application for duty on books, we particularly wish to stress the extreme difficulty, amounting to impossibility, of producing most books in Australia, except at exaggerated prices, which would preclude their sale entirely.

The main reason for this contention is that the market is, comparatively, so small and the variety of books published so enormous, that the sale of most books, with the exception of outstanding works, is confined to a few copies, even when the sale is spread over a number of years.

The book trade is entirely different from any other form of manufacturing. There is no competition between book and book, except in the case of a few educational books, where authorities differ as to the best textbooks for teaching certain subjects. When a buyer wants a certain book on a certain subject, by a particular author, he wants that book and that book alone, and he will not buy any other in its place. This statement may be slightly modified in the case of fiction, but even in this class of literature it still obtains to a very large extent.

In nearly every other trade different factories compete with almost identical articles, which, with slight variations, will all serve the same purpose, but in the case of books it is absolutely not so, and every book is printed, published and sold entirely on its own particular merits. Each book is a distinct problem in itself. Its success or failure not only rests in the book itself, but very often on the publisher who handles it. For instance, certain publishers are particularly successful with fiction, others with biography and travel, others with Belles letters, while a very large section of publishers confine their operations almost entirely to educational books, and booksellers and other interested parties can confirm that when these various publishers bring out books outside of their usual range they are almost invariably failures.

We submit this point, particularly as an argument that to publish successfully here in the first place there would need to be quite a number of publishers.

For the information of the Board, we are submitting a range of catalogues from various British publishers, the items in which are almost without exception all procurable at a moment's notice, and a big proportion of them are always being asked for, even if only at irregular intervals in small quantities.

Of all the books in these lists, only a trifling number have been sold in anything approaching quantities. Even when they were first published, sales of most of them were in orders of 1, 2, 3 up to 12 copies, and to help the Board in this respect we submit a twelve months' file of the orders we have secured for one of the publishers we represent, and who are one of the biggest publishing houses in England.

I have brought this file to show you how books are ordered. That contains practically the entire year of orders to that house; that is, to one big publishing house, and that will show you the quantity of books that are ordered. You will see the catalogue and you will get an idea of the facts. Not one single one of these books could have been published here.

Q.—Are you the only source from which those books could reach Australia?—No; a certain amount of orders will go direct to the publisher, but they are small. We have houses in Melbourne and Sydney, and our travellers are going around the whole time.

Q.—As regards any particular book there, what proportion of the orders would that represent?—That would represent, in my opinion, 85 per cent. of the orders, because, even with the Booksellers' Association in London, they usually give the representatives copies of their orders. My statement continues:—

A glance through these copy orders will confirm our statement regarding the small quantities of each book that are ordered, and the enormous range of titles that are required by the Australian public, and it is obvious that, on these figures, not one of these books could possibly have been published here, no matter what the duty was. The only result of a duty on these particular books would have been that the price would be so high as to be absolutely prohibitive to anybody but very wealthy people, and, unfortunately, the people who read good literature are not usually the wealthiest in the community.

As another illustration of the prolific publishing of modern times, we attach a table of the books published in England during January of this year totalling over one thousand. The table gives the subjects of the various books published in that month, and few of these will be sold in Australia in anything but trifling quantities, but nearly all of them without exception will appeal to a few people here, and are necessary to the knowledge, advancement and recreation of the Commonwealth. Even in Great Britain, with its world market for these books, the sale will not be large, hence the fact that most of them will be published at fairly high prices and will be still dearer in Australia if a duty is imposed.

Regarding books quoted in evidence before the Board in Adelaide and Brisbane as having been successfully published in Australia, we submit that all of these were either proved sellers at a higher price before being printed here; that they were in the main connected with world-renowned and popular personalities, such as Ford and Lindberg, or else they were all of a very sensational and popular appeal. That there are other books of similar type which could be published here cannot be denied, but, in comparison with the books detailed in the catalogues submitted, they are infinitesimal, and it might be pertinent to suggest that it is not due to any lack of protection that other books of a similar type have not been published here, whatever else the reasons may be.

The publishing business is highly speculative, probably more so than any other trade, and there are few publishers in England making money, in spite of the high price of books, as witness the amalgamations and absorptions which have been going on in London during the past few years.

We would also express the opinion that there are few booksellers in Australia making much more than a living, and those who are doing well are making money out of other commodities.

The bulk of the booksellers' trade is made up of slow sellers and lines which do not sell in any big number; in fact, it would be found that the day's takings of an average bookseller were culled from almost every part of his store. In buying, he naturally makes mistakes, and, unlike other trades, he is unable to recoup himself for these losses by big successes, as best sellers do not amount to a great deal in the annual turnover of a book business.

Evidence can be had from Australian booksellers that more and more every year they have to be cautious as to what books they buy; in the case of new fiction even the largest book stores will rarely ever plunge until they have seen how the public receive the book, although it is obvious there will be some instances where a particularly good book will attract some firms to speculate, but this is the exception rather than the rule. How much more so, then, will this apply to local publishing, where it is not a question of risking a dozen or twenty-five, or even one hundred copies, but of putting in several thousands?

To illustrate the peculiar conditions of publishing, we would refer you to an extremely clever and lucid book on the subject by Mr. Stanley Unwin, entitled "The Truth About Publishing," and we shall be glad to supply the Board with copies if they care to have them. Mr. Unwin's book is looked upon as a standard of

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authority on this subject, and we would particularly like the Board to read it in order to help our contention that if, in a country like Great Britain, with its population of forty odd millions, publishing generally is such a precarious business, then what hope has it in Australia until such time as the population becomes very much greater?

We contend, therefore, that the principal effect a duty will have is to increase the price of books here, thereby immediately decreasing the sale, to the detriment of not only interested parties like ourselves and the booksellers, but to the public generally, who must have books if they are to keep up with the rest of the world in current thought and literature.

We leave other witnesses opposing the application to give evidence regarding the effects that the duty, in curtailing sales of books, would have on employment in the trade in Australia.

As far as Australian authors are concerned, we submit that is must be obvious, in order to give the best chance of success to a world-wide sale, and, after all, authors write for the world, that a book must be published in the Empire's literary centre, which is, undoubtedly, London.

When a British publisher has a manuscript submitted by an Australian author, it is obvious, when considering the pros and cons of accepting it, that he will think of how many can be placed in Australia, and if this portion is cut out by a tariff, it is evident that it will have a deterring effect on the chance of the book being accepted by that publisher.

Furthermore, it goes without saying that if a book is published in London, and is successful there, the publicity which it will get will be of great use in Australia, whereas if it is published in Australia our local publicity will not reach many readers in other parts of the world.

At present there is absolutely no reason why attractive books by Australian authors, and, of late, there have been many such, should not be published here without any further protection.

The principal publishing house here have been selling their local publications at the same price as the overseas article, and it is, therefore, evident that either the Australian publisher will not take the risk, or the author sees a much better chance of success lies in him having his book published in England. There is no question of copyright protection, as the laws are reciprocal between Australia and Britain, and a book published here would be automatically copyright and protected in Great Britain.

Even with some of the best books, we think it unlikely that publication could be secured in this country, for, with the help of world-wide recognition, the total Australian sales are still often insufficient to warrant separate publication here.

Somehow or other, it is a fact that, unless the lead is given from the centre of the book world, Australians are slow to appreciate the literary merit of their own people's writings, and are somewhat critical even after Britain has given deserved praise to the works.

Many instances of this can be quoted if the Board wishes, but we will give only one here, which came within our particular notice.

A book by Mr. Jack MacLaren, entitled "My Crowded Solitude," was exceptionally well reviewed in England and was successful there, but, as far as this market is concerned, the response was very poor, even though the book was a particularly fine literary effort, easily read and attractive, and, in addition, the scene was laid in the northern part of Australia. The London "Bystander" thought so highly of it that it gave it two full pages of review.

It is, therefore, reasonable to assert that, instead of helping the Australian author, a duty on fiction will do nothing but hinder him.

Our authors at the present day are under no disability whatever; they have absolute freedom in submitting their manuscripts personally in London; they can send them direct, or they can be sent through any of the publishers' Australian representatives, and their books will be read and considered probably with a greater degree of care and attention than the English author would get unless he happened to be among those who have already made their name. This has always been our experience.

Even though an author might feel that he would like to have his book first published in Australia, and would be prepared to forego the many advantages that initial publication in England would give him, might we suggest that it would be distinctly unfair to expect a publisher in Australia to take the same risks as the Englishman could and would? It is perfectly obvious that the Australian author would have much less chance of publication here than in Britain.

A tax on fiction by decreasing Australian sales and so reducing the already precarious financial return our Australian novelists can hope for, would be a definite discouragement to their continued effort.

The following are a few Australian novelists whose works have become popular:—

Author.	Novels.
H. Handel Richardson ..	Ultima Thule. The Way Home. Richard Mahony. Maurice Guest.
Fred Howard	The Emigrant. Return Ticket.
A. Barnard Eldershaw ..	A House is Built.
Martin Mills	The Montforts.
Kathleen Pritchard	Working Bullocks, And other good novels.
Dale Collins	Ordeal. The Sentimentalists, And other good novels.
Marie Bjelke Petersen ..	Jewelled Nights, And a number of other very successful novels.

Had these novels not been published in London it is fairly certain that they would have been largely overlooked in Australia, even if some Australian publisher could have been found willing to take the risk. It was largely their overseas popularity that made the sale here. It is a pity that these writers cannot be brought before the Board to give evidence, but they are scattered far and wide, although we take it there are various societies here who will look after their interests.

Books Published in January, 1930.

The table shows the books published in January and the number of new editions, translations and editions-de-luxe.

Pamphlets priced at less than 6d. are omitted, as also are Government publications, except annual volumes and the more important works, etc., issued by H. M. Stationery Office.

The classifications of new editions or reprints of children's books is questionable, as this information is seldom given by publishers:—

January, 1930.

Classification.	Total.	New Editions.	Translations.	Editions de Luxe.
Aeronautics	8	—	—	—
Annuals and Serials	34	1	—	—
Archaeology	6	1	—	—
Art and Architecture	31	2	—	2
Astronomy and Meteorology	4	1	—	—
Banking and Finance. ..	5	1	—	—
Bibliography and Literary History	11	1	—	1
Biography and History	82	5	9	—
Botany, Horticulture and Agriculture	11	1	2	—
Calendars	2	—	—	—
Chemistry and Physics ..	4	—	—	—
Children's Books and Minor Fiction	26	14	—	—
Classics and Translations	29	5	20	2
Dictionaries & Encyclopaedias	8	1	—	—
Directories & Guide Books ..	26	6	—	—
Domestic Economy	2	—	—	—
Educational	72	4	—	—
Engineering, Electricity and Mechanics	5	1	—	—
Essays and Belles-Letters .	34	6	—	2
Facetiae	2	—	—	—
Fiction	278	101	11	1
Geology, Mineralogy & Mining	2	—	—	—
Illustrated Gift Books ..	5	2	—	1
Law and Parliamentary ..	23	12	1	—
Mathematics	1	1	—	—
Medical and Surgical ..	31	9	—	—
Music	5	—	—	—
Natural History, Biology and Zoology	13	1	—	—
Nautical	5	3	—	—
Naval and Military	9	—	1	—
Occultism	3	—	—	—
Oriental	4	—	—	—
Philosophy and Science	9	1	—	—
Poetry and Drama	49	15	1	2
Politics, Political Economy & Questions of the Day .	48	3	—	—
Psychology	9	—	1	—
Religion and Theology	61	3	3	—
Sociology	16	1	—	—
Sports, Games and Pastimes	6	—	—	—
Technical Handbooks	42	3	—	—
Topography, Local History and Folklore	8	—	—	—
Trade, Commerce & Industry	24	1	—	—
Travel and Adventure ..	19	1	2	—
Veterinary Science, Farming and Stock-keeping	1	1	—	—
Wireless	3	—	—	—
Totals	1076	208	51	11

By the Chairman.—This schedule, which you are submitting, refers to books published in January, 1930?—Yes, it is copied from the Publishers' Circular.

Q.—And you have made an analysis of the subjects?—The analysis is given. It is exactly as it appears. (Witness tenders copy of a letter from T. Fisher Unwin, dated February 25, 1925, for the information of the Board.)

By Mr. Kelly.—What percentage have books increased since 1913?—Mr. Unwin says not double.

Q.—Very nearly?—He says it is over double, but not three times, but I think he is referring to the costs. I do not think the average published price would be double.

Q.—Have you any objection to publishing this (indicating) in the evidence?—None at all. It reads as follows:

Cost of Manufacture.—Paper of the kind used in book production costs about one and two-thirds what it did in 1913, e.g., a good quality antique wove, which could then be bought at about 2½d. per pound, would cost to-day about 4d.—a not unreasonable increase and one comparing favourably with the fancy price of 1/7 per pound which profiteers obtained in 1918.

Printing costs nearly three times what it did before the war. In fact, the complete production of a book in 1914 often amounted to less than the mere setting of the type does to-day. The difference is largely accounted for by wage increases, but it is partly due to the printers' introduction of a costing system which showed them they were making insufficient allowance for "overhead" and certain other items in their estimates.

Binding.—It is difficult to give a fair comparison,

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because the increase in the cost of binding small numbers, from, say, 50 to 250, is much greater than it is in quantities of 1000 and upwards. Roughly speaking, for small quantities the cost is more than double, and for larger numbers about double the pre-war figure. That it is not more is probably due to improved machinery and the new plan of making a separate charge for warehousing stock, because the cost of two principal items in binding, viz., "labour" and "cloth," is about two and a half times what it was. Included under "binding" is the "jacket," or "dust cover," which, in the case of novels is a most serious item.

Averaging the three, the production costs of new books are more than double, but less than treble, what they were in 1914. The increase is highest when type setting is the biggest factor, and lowest when the number to be printed is large. In fact, it takes more than 2/ to do what 1/ did.

There is then the cost of distribution; this is also much greater than in 1914.

Cost of Advertising.—There has also been a proportionate increase in all classes of this work, a great deal more of which is now done than in 1914.

These (produced) are Benns' sixpenny library editions. Six of those are published every month at 6d. each in England. They embrace every subject under the sun, and it could not possibly be done here in any circumstances. The production is enormous and the sales here are comparatively limited.

(The witness withdrew.)

GLADYS HOPE MARKS.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—As lecturer in French at the University of Sydney. I do not appear officially to represent the University.

Q.—These expressions are your personal views?—No. I say in my statement that I appear before you as Vice-President of the National Council of Women of N.S.W. and as President of the Australian Federation of University Women to protest against the proposed duty on books. I might say that last night, at a very full meeting of the University Graduates' Association, the following resolution was passed:—

That the Sydney University Women Graduates' Association views with alarm the suggestion to put a duty on books, and is opposed to any measure that will prevent the free importation of literature into Australia.

I have prepared a statement of evidence, which reads as follows:—

As President of the A.F.U.W. I represent that group of women who have enjoyed the advantages of a University education, who are taking their place in the professional life of the communities in which they live, especially as teachers, and who cannot fail to be deeply interested in the intellectual development of the nation and anxious for the untrammelled dissemination of knowledge. I have no hesitation in claiming to be, in this instance, the mouthpiece of the University women of Australia. As representative of the N.C.W. of N.S.W. I do not claim to express the unanimous opinion of its members. The Council is an association of organisations that include a very large number of women, whose training, whose interests, and whose outlook vary so greatly that it is impossible to ascribe to them any one common aim, save an earnest desire to serve the community.

To make books more and more accessible to the public, to withstand any attempt to put obstacles in the way of acquiring knowledge by means of them, would, I feel sure, be considered by all thoughtful women a service to the community. This is, after all, a matter of peculiar importance to women, and for women, whether their influence be exerted within or without the home. The influence of women on the intellectual progress of the nation is obvious, though it

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has not always been sufficiently recognised. In modern conditions it is extending in ever widening circles, but nowhere can it make itself so deeply felt as in the home. The woman in the home should then be encouraged to continue the education begun at school by reading good books. The effect of books is real, if incalculable, and one may well say that any son of woman is better for having had a mother with a mind well stored with facts gleaned from books and sensitive to the beauties they teach us to comprehend. There is, then, "a woman's side" to this question. But I wish to protest also on more general grounds.

Before doing so, I should like, if I may, to say a word about fashion books, though I had no intention of doing so. I do not know very much about them, but Mr. Catts said yesterday that we had the artists who were capable of designing dresses for the women of Australia. He seemed to think it wrong that Paris should set the fashions for the world. Then Mr. Catts said that he would get his ideas from the French journals, which he would import, and that he would not mind, I think he said, if a duty of £5 were put on those journals. Probably Mr. Catts and others might print, perhaps, two fashion journals in Australia. We would, therefore, perhaps, have the possibility of all Australian women being dressed more or less alike, just according to the taste of the gentleman Mr. Catts or others who would choose from the French journals for which he was ready to pay any price on account of their great value to models which he considered were fitted for the women of Australia.

The Chairman.—Getting on to dangerous ground, it might be a very nice thing for the men; it would probably mean a great saving?—A gentleman said yesterday that such a measure would reduce the marriage rate in Australia. I believe there are some fifteen fashion journals. These are of very great importance to the dressmakers and to the dealers, who comprise a very great number, and I think it would be a great mistake and from the aesthetic point of view, because dress has an aesthetic value, to put a high duty on these journals, just for the sake of Mr. Catts' one or two journals. In regard to Butterick's, McCall's and Weldon's, I think that too much importance has been laid on the patterns that are in Weldon's journals. These patterns come out, one pattern at a time, and they are really of very little value, so I am told. I do not use Weldon's patterns. I do not know Butterick's and McCall's, but I understand they advertise patterns which can be bought according to the measurement of the person desiring them. The question has been asked, in connection with comics, whether the children are satisfied with the Australian comics. If we have not got things we do not know any better, and if the children were to have only the Australian comics they probably would be satisfied, because they would not know what they were missing. My statement continues:—

Australia's isolation from the older centres of learning is responsible for new currents of ideas being very slow in reaching us. Some never flow this way. We live, as it were, in a backwater of civilisation, and are even more dependent on the outside world for mental stimulus than a people more favourably situated. What men can get from personal contacts, from the spoken word, the acted play, from the exhibited picture, etc., in London, Paris, or Berlin, we can get here only from books. And books are not and cannot be treated like commodities. Erase the printed word that conveys the idea and they have no intrinsic or commercial value. They are only paper and cardboard and linen or leather. You may protect the manufacturer of woollens, and force us, by a prohibitive duty on imported goods, to buy locally made underclothes. That may be unimportant. But you cannot protect the Australian author, however gifted he may be, because you cannot force us to content ourselves with his books, even by putting a prohibitive duty on the imported works of an Englishman. If you could force us to be content we should be at worst intellectually dead; at best, insufferably ill-educated and narrow. It is essential that we should have at our disposal in this young and youthfully crude country the best literature the world can offer us, and at the lowest possible price, so that, as individuals, we may continue that education which is only begun at school, and, as a nation, come in due course to be counted among the cultured nations of the world. Intellectual free-trade is a sine qua non of achievement in this direction.

I should like to say, if I may interpolate this, that in regard to, say, America, where they have a duty on books, the ordinary novel, for which we pay 5/6 or 6/6, is two dollars in America, and I think also that, when you have read that book of Unwin's on "The Truth About Publishing," you would not like to see the same methods adopted in Australia as are adopted in the publishing world of America. We have to remember that the copyright which in honour binds all Europe and England is not binding in America, and that their public morality is very different from that of the rest of the world.

I would also like to say a word about the small nations to which reference was made yesterday. I have been in Scandinavia, and I know many Scandinavian people. You will find in Denmark, which is a very small nation, that the Danes are so thoroughly taught in the schools that the literature, you might say, of Europe, is available to them. The Danes read English, French and German—the educated Danes—with equal facility.

By Mr. Kelly.—And the percentage of what you would term "educated students" would be amazing?—Extraordinarily high. It is a very high education. Regarding Norway, that country has the common literature of Norway and Sweden at is disposal, and the Norwegian, and Swede as well, I think, would be ashamed if they were not able to read, at any rate, English or German books. Belgium—of course, I am taking the smaller nations—has the whole of the French literature at its disposal, and also as far as the Flemish population is concerned, the whole of the German at its disposal.

In regard to books in foreign countries, there is, I believe, a nominal duty on books in Switzerland. It is not a protective duty; I do not know whether it is big enough to be a revenue-producing duty. That certainly may have something to do with the fact that Switzerland is divided into two parts; half of it is German speaking and half French speaking, but the reason for that very nominal duty I really cannot explain. It is, I think, the only European nation which has such a duty.

By the Chairman.—It might possibly be to facilitate a censorship?—I doubt if any cultivated country in the world, except British speaking ones, have a censorship. My statement continues:—

It has been suggested that "educational books" may be exempted from the tax, but all good literature has an educational value. Every good book, be it fiction, poetry, or drama, whatever its source, is as much an "educational book" as a Latin text or French Grammar. It is as impossible to draw a line of demarcation between books that amuse and books that edify the mind as it is to draw such a line between books that are moral and books that are immoral. Fools might rush in to decide where sages fear to tread. The same statements apply to magazines and journals.

Where would you be without "Punch"? Would it not be awful if there were a duty on "Punch"? Mr. Green spoke yesterday of "John o'London." I personally do not think there is any doubt whatever that such a magazine as "John o' London" should not be classed as a journal that instructs. Any paper that has articles such as that on literary questions, on current events, is of the utmost importance to us. Such articles are put in a popular way, and such books are read by a public that would not read the more serious journal, and there is no doubt about it that they have an educational value. May I also say in regard to fiction that modern education places more and more value on the

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use of fiction as education? We speak of informative literature, but surely what we call imaginative literature also has an educational value

Q.—Nobody questions that. We only use the adjective to try to make an artificial——?—I do not see where the line is to come between informative and imaginative works. My statement continues:—

Books must be as cheap as possible. At present the proportion of the reading public that requires the higher class of books is small, though our system of education may be expected gradually to increase this minority. The greater number are but moderately blessed with this world's goods. That the proposed duty would raise the price of books there can be no doubt. Very few could be published here, with profit to the publisher, save "best sellers," and widely used school books. An ordinary English edition—I do not mean of novels; I mean books of other types—comprises from 750 to 1000 copies, about 100 of which at most may find purchasers in Australia. One has to send to England for many books because booksellers here find it does not pay to stock them. Just as it is impracticable to manufacture here the finest grade of woollen materials, owing to the high cost of plant and production, and the smallness of the demand in a country of six million inhabitants, in the same way it is impracticable (and for identical reasons) to publish books of high scientific, literary or aesthetic value. And if the reading public, especially that section of it that ought to be encouraged by such a duty, it is very far from certain that it would be a boon to those of our authors most deserving of consideration. As for writers who would support the tax, they condemn themselves and are worthy of no protection whatever. An Australian who publishes his book in England obtains a wider publicity and a wider public than if he publishes it locally, and his glory adds lustre to Australia. Few books published here enjoy a wide circulation and win fame in Europe. A number of our good novels have been recently published in London, and a still greater number of our scientific and historical works and books that may be grouped as "belles letters." The duty then would compel an Australian writer of standing to forego a European reputation and monetary reward (such as it is) for his labours, or to restrict the circulation even among his fellow-countrymen by raising the price of his book. The printer alone might hope for a little extra gain from the imposition of the duty. In short, there is no reason for anybody else to support the proposal; there is every reason to condemn it. It is even more objectionable from a cultural point of view than the duty on works of art. To impose it would be to brand us in the eyes of the civilised world as a nation of unenlightened, short-sighted materialists, and, what is worse, we should deserve the branding.

It is more a matter of opinion, not being an expert, that I wish to give. There is public opinion behind it.

(The witness withdrew.)

GEORGE BLACKMORE PHILIP.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—As educational bookseller and publisher, 451 Pitt street, Sydney.

Q.—To what extent are you a publisher. I mean to what extent of the business that you do?—You mean on books I publish?

Q.—Yes.—No more than 10,000 a year.

Q.—In numbers?—Yes. I want to say that there has been a lot of talk about imaginative and informative literature. One seems to be fiction and the other seems to be the other thing. I did not hear the question of juveniles and prizes for children mentioned, and those are certainly imaginative; but they play a very big part in the formation of the childhood of the State. You know personally, particularly all of you who are parents, that there are thousands of juveniles published. You know

SYDNEY—William Augustus Crew

them, and you are probably aware of the prices of them, and it would be absolutely impossible to publish juveniles in Australia to be of any benefit to the children. First of all, the prices would be extortionate, and the limit of authors would be absolutely infinitesimal, and I do wish that in your deliberations you will dissociate prize books and juvenile literature from fiction. I think I need not say any more. We all know what I am aiming at without labouring the subject. You can see that the juveniles that are sold to-day for 1/6 and 2/ would be about 3/6 or 4/, according to Mr. Catts. The limit would be very small and we are not in a position to do that. I might say that I am practically the oldest bookseller in N.S.W. outside Mr. Robertson and I would say that the prize giving in our schools is one incentive to learning.

By Mr. Kelly.—Not the only incentive?—No, one incentive. I hope that you will particularly remember that; that though they are fiction they are certainly one of the main factors in the building up of children's character.

(The witness withdrew.)

The Chairman.—In adjourning this inquiry, I remember a conversation I had with a gentleman who appears to have left the room, and I am not sure whether he had in his mind that those witnesses would still come forward. I would say that, if anybody in the room knows of anyone whose evidence has been shut out because we adjourned at this rather unusual hour in the lunch time, I would be glad if that witness would convey his views to the Secretary of the Board in writing, if it is his wish to present evidence. The Board will then certainly give them consideration. I am saying that with perfect safety, because I do not think it is capable for any witness to put up in opposition any view that has not already been expressed. The inquiry stands adjourned to Melbourne on Wednesday, April 16, 1930, at 10 a.m.

Mr. W. A. Crew.—I would like to state that Mr. O'Dea, the Secretary of the Shop Assistants and Warehouse Employees' Federation, did intend to submit a statement, but, unfortunately, he had to go away. He left that statement with me. Could I hand that in.

The Chairman.—Yes. Are you in a position to subscribe to these views that are in it?

Mr. Crew.—Yes.

The Chairman.—I think you might just make the evidence formal in that way. You are already sworn.

WILLIAM AUGUSTUS CREW.

Already Sworn.

By the Chairman.—You might just say that you put in here a statement prepared by Mr. O'Dea?—Yes. I have pleasure in stating that Mr. O'Dea authorised me to present this. The statement reads as follows:—

If the suggested duty becomes operative, many members of my Union, particularly those employed in bookshops, newsagencies, and bookstalls will be seriously affected by the threatened reduction of staffs caused by loss of trade consequent on the added cost of duty. I feel also that, apart from the loss to employees, my members would be seriously affected by having their facilities for purchasing literature restricted, either by increase of price or by the prohibitive cost of bringing it to Australia. Good literature—magazines, books, newspapers—from overseas is widely read by the wage-earners generally, who are thereby becoming better educated and better citizens.

If they are forced to confine their knowledge to Australian publications only, no matter how good, their minds are not developed as they would be if the world's literature is obtainable at a reasonable price.

In the Bookstall Company the biggest retailers of periodicals and newspapers in N.S.W. alone have over 200 members, and these, with others, would be affected.

(The witness withdrew.)

The inquiry at 1.10 p.m. was adjourned to Melbourne on Wednesday, April 16, 1930, at 10 a.m.

MELBOURNE

The Board met at the Boardroom, Elizabeth street Post Office, on Wednesday, 16th April, 1930, at 10 a.m.

Present.—Mr. H. Conaghy (Chairman), Mr. S. Berchdolt, Mr. H. E. Guy, Mr. W. S. Kelly.

The Chairman.—Is there anyone present who desires to tender evidence in favour of the application for duties? (No response.) Is there anyone present who desires to tender evidence in opposition?

ARTHUR STANLEY RUNDLE.
Sworn and Examined.

By the Chairman.—In what capacity do you appear?—As Secretary of the Printing and Allied Trades Employers' Federation of Australia, the head office of which is situate at the Rialto, 497 Collins street, Melbourne. I have prepared a statement, which reads as follows:—

I am instructed by my Federation to oppose the application of the Combined Printing and Allied Trades Committee, 375 Kent street, Sydney, for a duty on schedule Item 339, with one exception, as specified hereunder, in terms of resolutions passed at a conference of the Federation held in Sydney on the 17th and 18th March, 1930.

The resolutions referred to read as follows:—

(1) Item 339—Books, n.e.i., and printed matter, n.e.i., "That no action be taken by the Federation to interfere with the existing arrangements on tariff schedule Item 339, viz., Free Duty."

(2) "That the Minister of Trade and Customs be respectfully requested to separate the following classes of goods from Item 339 of the Tariff Schedule, and that the undermentioned duties be levied thereon":—

Books of all kinds which have been printed or reprinted in Australia and then printed abroad:—30 p.c., 40 p.c., 50 p.c.

I have nothing further to add to the evidence already given by Mr. H. A. Sinclair, on behalf of the Federation, at the inquiry into this item by the Board at Sydney on the 3rd instant. The statement made by Mr. Sinclair on that occasion represents the views of my Federation.

Item 335—Fashion Plates and Books: At the conference previously referred to in this submission the following resolution was passed in respect to Item 335:—

"That owing to the absence of any request for an alteration of the existing rates of duty, viz., Free, 5 p.c., 10 p.c., no action be taken in regard to Item 335 of the Tariff Schedule."

Q.—Your organisation is described as the Federation of Australia. Do these views represent the views of all the branches?—That is correct. They were passed at a meeting, and to make doubly sure of them being the views of the Federation a copy of those resolutions was submitted, in accordance with the rules and regulations of the Federation, to the various State Master Printers' Associations, all of whom are members of this Federation, and all the resolutions submitted were passed.

Q.—The applicant body is described as a Combined Printing and Allied Trades Tariff Committee?—They have no connection with this Federation at all.

Q.—Is there any relation between them?—No relation whatever. They just simply sprung up at the time. I do not think they have been six months in existence, and they do not represent any representative body of the trade at all. The fact that the unions are members of that committee proves that it is not an employers' organisation—not entirely.

Q.—Are any members of your Federation members of that committee?—Not that I am aware of.

Q.—Could you tell the Board how many books that have had circulation in Australia would have paid duty over a period of, say, the last three years or five years, or ten years—the longer period that you could give it to us, under your heading, "Books of all kinds which have been printed or reprinted in Australia and then printed abroad"?—I could not give you any definite figures on that, but the reason of that application is this—that we think that where a printer has given advice and assistance in the preparation of a book in the first instance, he is at least entitled to get any reprint of it.

Q.—Take, for instance, if somebody printed a Bible in Australia—one issue of the Bible—would that mean that the intention of your Federation is that all subsequent importations——?—I think we would exempt a case such as you have mentioned.

Q.—What about Shakespeare, the Immortal?—Well, that is not quite the purpose of the claim.

Q.—You have to look at what will happen?—If a man has manuscript here in Australia and he sends it to England he is going to suffer many difficulties in getting his work carried out. It is easier for him to take it to an Australian printer and get him to do all the corrections and give him all the advice that he requires, get the thing set up, and then, when everything is O.K., send it to England and get it reprinted. That is what we are up against.

Q.—There may be quite good reasons for this suggestion in regard to a book which is only likely to be set up in one edition, or, say, two editions; but if you had a book which might be set up in scores of editions—take the two I have mentioned, and I could easily mention a score of others which will readily appeal to you—what would be your position? I know what is in your mind—take the ordinary novel, for instance?—Not only a novel; it might be a technical book.

By Mr. Kelly.—You state books that have been printed; if they have been printed, then the copyright would protect them?—It would not in America; the copyright does not give you full protection on them.

By Mr. Berchdolt.—You mean really originally printed in Australia?—Not necessarily.

The Chairman.—It says "Printed or reprinted."

By Mr. Kelly.—The Chairman has dealt with the Bible and Shakespeare. There are a lot of other books I could mention. Take the books of Walter Page. They were reprinted here, and it is quite possible, and it is more than probable, when that edition runs out it will not be reprinted here. It is also, I hope, more than probable that the Bible will be reprinted.

The Chairman.—As a book, that is likely to last for a long, long time.

By Mr. Kelly.—In which case you would be asking for a duty on a book which was once printed here, but does not justify printing here again on account of the limited market?—If the Board wishes it I would take the matter up with my members and let you know what books they want covered. I produce a list showing the members of my Association.

(Witness withdrew.)

ROBERT DOUGLASS BOYS.
Sworn and Examined.

By the Chairman.—What is the capacity in which you appear?—As Chief Librarian of the Public Library of Victoria and as representing the Trustees of the Public Library, Museums and National Gallery of Victoria. The following statement is made on behalf of my trustees, who view with the greatest concern the proposal to impose a duty upon the books and periodicals. It deals with the matter only in so far as it would affect this institution:—

The books purchased for the Reference Library and for the National Museum are all of a serious and educational character. They comprise two main divisions:—(1) Contemporary publications, representing a careful selection of the best books in all languages published in practically every civilised country; and (2) secondhand books of older date, selected as source-books and original editions, to meet the needs of students of every possible subject.

Under (1) "Contemporary Publications," come all the technical works for the use of manufacturers, chemists, engineers, etc.; books on science in all its branches; examples of modern fine printing; books on art, philosophy, religion, the social sciences, linguistics, literature, and history. Many of these works are published in comparatively small and expensive editions, and in not a few cases the copy imported for the Melbourne Public Library, and available there to all inquiries, is the only one received in Victoria.

Under (2) "Secondhand Books," are included early editions of standard literary works, original and other editions of scientific and technical works of importance in the history of knowledge, sets of scientific, technological, historical and other periodicals and publications of learned socieities and institutions, etc. In most cases the copy purchased for the Melbourne Public Library is the only one available in Australia.

From these remarks it will be evident that for practically all the books purchased for the Melbourne Public Library there is not a sufficient demand in Australia to enable the books to be printed here. The imposition of a general duty on such books would, therefore, only result in addition to the cost of books essential for industry, educational and cultural purposes. In effect the result would only be to diminish the buying power of private individuals and public institutions requiring these books. From the point of view of my trustees such a result would be a matter of great concern, since the tax, if imposed, would render the public library less able to do its part in meeting the educational, scientific and technological requirements of the people.

I wish also to protest against the imposition of any proposed discriminatory duty against books printed in foreign countries. The number of these imported is so few that it would be impossible to print them here at a profit. But there are many important books and periodicals printed in the United States of America, in France, Germany and other countries, which must be upon the Public Library shelves. An educational institution, such as the Public Library, must be able to give the people of Victoria the benefit of advances of knowledge made in all countries and printed in all languages.

As I am making this statement only on behalf of the Trustees of the Public Library, Museums and National Gallery of Victoria, an institution supported by public taxation for educational purposes, I wish to draw your attention to the fact that in the United States, under its latest Tariff Act 1922, paragraph 1530, all books imported for public libraries are admitted free of duty.

Q.—Is it the practice of your institution to import all its own books, or do you buy books locally?—We buy locally.

Q.—To what extent do you buy locally, and to what extent do you import?—I suppose we buy about one-fifth of our books locally.

Q.—Assuming for a moment that the Board might see fit to recommend duties on books, it might still be considered reasonable to exempt books for public libraries bought from public funds, and if we exempted books bought for public libraries, in your instance, it would exempt four-fifths of your books?—We buy books which are imported by the local booksellers.

Q.—I thought you said your own direct imports were about four-fifths?—Yes.

Q.—As regards the others, do you buy from ordinary stocks, or are the books you buy from booksellers here

Q.—They are specially obtained for you sometimes?—Yes.

imported for you?—They are imported probably because they know we will buy them.

MELBOURNE—Robert Douglass Boys

Q.—Are there some that you just go along and buy out of ordinary stock?—Yes, replacing other books.

Q.—What I want to get at is this: Assuming there is to be a duty on books, would it be possible to exempt your books at the time of their importation? That is to say, could the bookseller or importer set them aside and say, "Those books, numbered from so-and-so to so-and-so, are imported expressly for the Public Library," or do you frequently go along and buy just from ordinary stock?—What we do is we prepare a monthly list of books, and that is sent round to all the city booksellers, and we get from them what they have in stock.

Q.—Then you are just buying from ordinary stock?—Yes.

Q.—To what extent would your purchases be—would they be one-fifth?—Yes, they would be about one-fifth.

Q.—Do you import quite a number of secondhand books?—We do.

Q.—They are all rare, valuable books?—As a rule.

Q.—If this proposition, put up ostensibly on the grounds of public health, and also admittedly as a system of protection, to exclude secondhand books, that would not be a blow at the Public Library, but in your opinion it would be very disadvantageous to the Australian book-loving world?—Certainly; we are in this position: Our library is a great library, and we are trying to fill up gaps so far as possible, and to do so we buy secondhand books. I do not think any bookseller would sell a book detrimental to health. They make a point of sending out a clean copy.

Q.—For their own credit—that is, so far as you are concerned—but it is quite possible that a certain class of bookseller might import books from any source he can get them. I do not mean necessarily valuable editions. I mean the ordinary, common secondhand books, for which there might be a market. I understand there are quite a number of books catalogued and circulated from overseas?—I do not remember ever getting a dirty book from an English bookseller.

Q.—We tried to make a classification of books in Sydney. You say that all the books imported for the reference library of the National Museum are of a serious and educational character. Are you differentiating there from the Public Library?—The Reference Library is the public reading room, but we have a lending library.

Q.—For the lending library that description would scarcely cover it?—We have a certain number of books of fiction in the lending libary; we have about 20 per cent. of fiction.

Q.—Would it be possible for you to add to the exemptions which have already been provided in the suggestions made the exemptions which would cover the majority of the books which you use?—I really do not know what the proposals are.

Q.—These are the exemptions proposed, and I will read them to you. (Reads.) You could not say offhand how far those exemptions would cover your books, because I do not think for a moment that the applicant ever meant to put a duty on this first class of books mentioned—for instance, the copy received by the Public Library, which would be the only copy in the State. I do not think any sane man would suggest a duty on those books?—You did not mention dictionaries, which is a big item. We get a copy of every important dictionary published in the world.

Q.—We asked the Sydney University Librarian to make a list of exemptions, and I was wondering whether it would be possible for you to draw up a classification of books which, even in spite of the fact that ordinary books might be subject to taxation, which you consider should be left alone by any tariff that has been imposed or may be imposed. Do you think you could draw up a list?—Yes. As I say, I really did not know what the proposals were.

Q.—I think you, with the assistance of some of your staff, could do it. The briefer it is, naturally, the better

it would be, but I would not limit you, because we really want to see how big is the list of exemptions you would want to have. I do not mean you should let your personal views enter into it, if you think that no book should be dutiable; but, assuming for the moment for this purpose it would be reasonable to tax the ordinary novel with the big circulation, or something of that sort, that it would be reasonable to tax some books, you could tell us what books you regard it would be absolutely unreasonable to tax. You might send along that list to the Secretary?—Yes, but I suppose there is no immediate hurry.

Q.—We would like it within a week if you could do it?—I think I could do it.

Q.—You might send in several copies of the list, which we can circulate to anyone who might want a copy?—I will do that.

(Witness withdrew.)

FRANK TATE.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As President of Library Association of Victoria, Municipal Library, Prahran.

Q.—What does that Association embrace?—It represents the Public Libraries of Victoria other than the great Melbourne Public Library, the Municipal Libraries, and Mechanics' Institutes throughout the State of Victoria. It also has a membership of persons who are interested in the provision of better facilities for reading and study through public libraries.

The Library Association of Victoria wishes to record an emphatic protest against any proposal to impose a duty upon books and periodicals entering Australia.

The Association represents municipal libraries and mechanics' institutes throughout the State of Victoria, as well as private members interested in the provision of better facilities for reading and study through public libraries. Its aim is to foster the reading habit as a factor in the intellectual development of the people. The standard of culture in Australia is admittedly below that of older countries of Europe and America. Several factors operate in producing this result, such as:—

(a) The youth of our country and its comparative lack of traditional inspiration.
(b) The necessity in a new country of devoting so much thought and energy to material development.
(c) Our isolation from the rest of the world, and the consequent lack of opportunities for absorbing the culture of older lands by personal contact.

The best means of overcoming these disabilities is by education, and especially by reading; and the policy of the State and Commonwealth Governments should, therefore, be to encourage the reading habit by increasing the facilities for obtaining books of the best kind. The State Governments have done much by establishing an adequate system of compulsory primary education, and by an increasingly generous provision for secondary and higher education. One of their main objectives has been to make education as widespread, as free and as efficient as possible.

The best result of a good school training is to develop the ability and desire to educate oneself further. This is done mainly by reading and having access to books. Any attempt, therefore, to place obstacles in the way of readers by limiting their choice of books or increasing their cost interferes with the objectives which the State educational authorities have, at such great cost, endeavoured to realise. Libraries are an essential part of the equipment of education institutions and public libraries, and abundant opportunities for obtaining books make adult education practicable, and are thus the best supplement to a system of education.

I might mention that to my mind one of the most fruitful sources of education yet to be developed is, in the opinion of my Association, adult education. Any determination to put hindrances in the way of people to obtain books, either in restricting their choice of the books which may be brought to Australia or by increasing the price of books, will make adult education increasingly difficult to attain. My statement continues:—

The Library Association have on two occasions recently interviewed the Chief Secretary, and have pressed for a substantial increase in the State grant for public libraries. A reply has been received expressing sympathy with the objects of the Association, and stating definitely that as soon as the financial circumstances permit the grant will be increased. At present the libraries in provincial towns are in a very bad case financially. Their present position will be rendered much worse if a duty on books and periodicals is imposed, and, moreover, the good intentions of the State Government in regard to the near future will be nullified if, concurrently with the increase granted, the purchasing power of the grant is adversely affected.

To show how bad is the financial position of some of our libraries, it may be mentioned that one country library established many years ago has been driven to the expedient of selling valuable historical records and works of reference in order to provide funds for purchasing contemporary literature. What is true of Victorian libraries is undoubtedly true of libraries in other States.

Further, the proposed duty is not in harmony with the actions of the Commonwealth Government itself. Australia expends large sums in the furtherance of wireless communication with the rest of the world. The Library Association considers that the written word is a more powerful factor in the dissemination of culture than the spoken word, and urges, therefore, that it is the duty of the Australian Government to encourage by every means possible the introduction into Australia of books from abroad. The Association does not suggest a bonus to be paid to importers, but it feels that this would be a far more desirable course than to impose a restrictive duty.

I think it might fairly well be argued that it would be a good thing to pay a bonus on bringing books into this country.

It cannot be claimed that the free introduction of literature hinders in any way the output of Australian writers. The argument usually adduced in favour of the restriction of imports of ordinary commercial products, that local production is therefore increased, does not apply. On the other hand it is certain that Australian creative work is helped, and not hindered, through the stimulus supplied by literature representing the thought of other countries.

There is much evidence of the growth among Australians of a narrow, parochial mindedness, expressing itself in a very hateful self-sufficiency, and an intolerance of other nationalities and their ways of thinking and acting.

By Mr. Kelly.—With reference to your previous paragraph, the aim is to stimulate printing, rather than writing?—I doubt whether it would stimulate printing to any great extent. I think myself that is a very real feature of Australian life—the very intolerant attitude towards other nationalities and their ways of thinking and acting. My statement continues:—

One great corrective of this objectionable habit of mind is widespread reading. This reading should include not only books written within the Empire and in America, but throughout the world. Nearly everything worth while is, nowadays, translated, and made available for readers the world over. There is a greater need of free circulation of world literature in Australia than possibly in any other country of its standing.

What has been said about books applies equally to periodicals. In the opinion of our Association no duty, however great, would materially increase the output of Australian magazines. A comparatively small population, which, to put it mildly, is not a reading public in any true sense, cannot support magazines that are really first-class. The world produces many deservedly famous periodicals, and it would be the height of folly to place hindrances in the way of Australians who desire to get from these the stimulus or the mental recreation they can give. There are, of course, many magazines entering Australia that do not merit the description "literature," but the practical difficulty of discrimination in favour of some against others makes it undesirable to impose a tariff upon them.

It has been suggested that libraries and educational institutions should be exempted from any duty upon books; our Association would, of course, welcome such exemption if the duty were imposed, but it feels bound to point out that the exemption would be inoperative in the case of an overwhelming majority of the libraries, especially those in country districts. These libraries are not in a position to import their supplies directly, not only because of the inherent difficulty of such a proceeding, but because their income is limited, and they are so greatly dependent upon the booksellers for information regarding suitable books. Life in the small towns, and in rural areas of Australia, lacks many of the amenities of life in the city. To the men and women who have trained themselves to use and to enjoy them, books are a great source of culture and of mental recreation. Any attempt to limit the supply should, in the interests of country folk, be strenuously resisted.

I think anyone who has travelled much in the backblocks of Australia will realise that. There are some men one finds having no opinions and no ideas. On the other hand, you will find men leading an efficient life away off in the remote parts of the State, and when you seek the reason you find that that man is interested in things of the mind, and he has his own collection of books, and he has got something within himself which reacts against the monotony of life round about him.

My statement continues:—

Nor would it be wise to limit the duty to works of fiction. Good fiction has an undoubted value in itself, and, moreover, the records of many a library show that, as the demand for fiction has increased, the demand for more serious and solid reading has also increased.

I made some inquiries, and I found in the Lending Library in Melbourne that that is true—that the demand for fiction was remarkable when fiction was intoduced, but it also produced a growing demand for books of a more serious type. My statement continues:—

We understand that one object of the proposers of a duty upon books is to secure the publication of Australian editions of books written and published elsewhere. We would point out that our market is necessarily a limited one, and that the inevitable result of such a course would be to restrict very greatly the books entering Australia. A few publishers of popular fiction might be willing to cater for the Australian trade, but there are hundreds of good books of light literature and of fiction, which now enter in small quantities, which would be shut from us. Even under the free conditions of to-day it is not easy to get books that have not been successful in making a popular appeal. Under a book duty the position would be infinitely worse.

In conclusion, we desire to state that we have been in communication with the Library Association of Tasmania, which desires to be associated with us in this evidence.

Q.—Have you any idea to what extent the part of the proposition which refers to books which have been printed and reprinted in Australia, and then printed abroad, a duty of that sort would have effect?—Do you mean Australian books published here?

Q.—The item reads: "Books of all kinds which have been printed or reprinted in Australia, and then printed abroad." That means if a book has been once printed in Australia, the suggestion is it is not reasonable to go outside Australia to print it for the Australian market. I am asking you because in your late position you may have come in contact with one class of book which would be considerably printed in Australia. I do not know whether such educational books would be likely to be, if they had an acceptance in Australia, sent abroad for printing?—No, I think, on the other hand, the tendency is for a man to try to seek publication abroad first, knowing the Australian trade would follow. I spoke to one of our leading booksellers in Australia quite recently, and he spoke of the almost impossibility of getting on to the English and American markets with books that had been published in Australia.

Q.—What class of books were they particularly?—One was the Australian Encyclopaedia, which is quite a fine work of reference, in every way a very fine publication. I am now speaking of Messrs. Angus and Robertson. They had the greatest difficulty in obtaining hospitality to the entry of Australian books into the outside markets.

Q.—We were shown in Sydney quite a lot of school books which were published in Australia. Can you say whether a duty would have any effect there or not? Would they be just as likely to be published in Australia without a duty as with a duty?—Yes. As a matter of fact, we have had no duty, and for years in Victoria the Education Department has steadfastly fostered the publication of books in Australia. This began away back in 1901 or 1902, and practically all the books which are used in Victoria in any quantity are published locally. We have firms like Whitcombe and Tombs, and others, who have opened up out here in order to cater for that educational trade, but when you come to the higher education, where the number of books is limited and the demand is limited, and where the book itself is very difficult to supply, there we have got to depend upon the outside world.

Q.—How many books which are set for the ordinary State school educational purposes are produced in Australia?—I should say the books used in the elementary schools in Victoria are to the extent of over 90 per cent. supplied entirely in the State.

By Mr. Kelly.—They are compiled for the local curriculum?—Yes, by the local trade, and it has been a definite part of the policy for the department to insist on that being done.

By the Chairman.—They are wholly set up and printed in Victoria.—Yes.

Q.—As regards the other 10 per cent., or less, are they books selected from an already published list?—Yes, as a rule. The publishers, of course, are continually sending out specimens. They are mostly of the type of supplementary readers and the like for the elementary schools. The books would not be textbooks in the ordinary school subjects, which are all published locally.

Q.—Would any of these books have a sufficient circulation to warrant their being printed in Australia?—No, I do not think so; they are continually changing, and, in fact, there is every desire to keep them on the move. They are books for supplementary reading, and, naturally, you do not want a boy who has read a book one year to find that he has to read the same book the next year.

By Mr. Kelly.—Of course, that would be complicated by the copyright?—Yes.

Q.—You could not reprint here if it were a modern book?—No, it would mean that the publisher would have to publish an Australian edition.

Q.—In reference to the question of where you query the Australian reading habits, we would all agree, I think, that we do not read as much as we should, but we are all hopeful that the Australian people will read more; but the evidence seems to query what you have said in reference to the comparative reading habit. Are you not rather taking what may be called the cultured view in

Australia as against the same proportion in other countries?—Yes, I was not so much speaking comparatively as speaking absolutely. When I think of the opportunities for education in Australia, that the publishing measure of elementary books is higher in Australia than is normal in other countries, I think it is fair to say that we do not take sufficient advantage of the opportunities we have, or, in other words, I have to say our educational system has failed to this extent, that while it has given the ability to read, it has not always given the desire to read.

Q.—No doubt that is true, but that does not substantiate your suggestion we read less than other people?—It does not substantiate it, but still I think it is worthy of inquiry.

Q.—Unwin, for instance, suggests quite specifically that the Australian market is a much better market for the ready sale of books. Of course, he qualifies that by indicating a large proportion of the novels are read through lending libraries in the old country, but from a purchasing point of view they look upon the colonial market as a much better market than the home market?—Of course, there would be many factors in that. The Australian has got to buy his book if he wants to read it. He has not the access to circulating and public libraries that they have in the older countries.

Q.—Your evidence seemed to indicate we were reading nothing like as much as we ought to do? Do we read quite as much as they do in the older countries? I would like to get a criticism on that?—I have put forward my view.

(Witness withdrew.)

SIR WILLIAM HARRISON MOORE.

Sworn and Examined.

By the Chairman.—You are appearing as a director of Robertsons and Mullens Limited, publishers and booksellers, of Melbourne?—Yes, primarily in that capacity, but I would not like to be limited to that.

Q.—Are you appearing in any other capacity?—I was for nearly 35 years Professor of Law at the University of Melbourne, and that, of course, brought me into very close relation with all the educational activities of the community. Then I have done some writing and publishing both in Australia and in England, and I have been brought into very close relation with one aspect of this matter which cannot be overlooked—that is, the subject of copyright. I attended the International Copyright Conference at Rome in 1928, where I represented the Commonwealth Government. In putting my statement forward to you I ought to call your attention to the fact that I made it out having before me only the claims which were put forward at Brisbane or Adelaide. I did not have before me the claim which was subsequently put forward in Sydney. I presume that the Board is considering in the main the whole subject, and I understand the whole matter is at large, and that I may proceed with my evidence on those lines. Then, perhaps, I might turn to certain matters in the amended schedule.

Q.—You are quite at liberty to do that, and as a matter of fact you are not bound to adhere to your statement?—Thank you; the statement I have prepared is as follows:—

(a) Protection. (b) Revenue.

1. Ordinarily a protective duty is one which is laid upon a class of commodities all capable of being produced in the country; the duty is confined to those articles so capable of being produced. The imposition of a protective duty has to be determined upon a consideration of all the social interests of the whole commuity, which include the cultural interests as well as material. The present proposal is to lay the duty on all books, music and periodicals, subject to certain vague exceptions, but no attempt is made to show what is the extent of the industry that could be established.

Figures will be given to show the number of titles dealt with in a year in a single business of Robertson and Mullens; they themselves are enough to show the difference between "books," with their infinite diversity, and those commodities which fall into a few classes, and to establish that in relation to the whole number of works that will have to bear the duty, the number of titles that could in any circumstances be produced in Australia is infinitesimal. "Books" cover the whole range of human knowledge, and the whole intellectual interest of mankind; they have nothing in common except the mechanical means used for communicating the thoughts of the writer to the mind of the reader. They are not "subsitutable" articles—it is no use offering the man who desires to consult a German periodical on physics or a Canadian work on the Constitution of Canada a book on the Australian flower garden or Coane's "Australian Roads."

It is really a new principle in protection of industry that in order to promote the protection of a few commodities duties should be imposed on other commodities, irrespective of whether the tax could have any tendency to cause the production of those goods in Australia.

2. It is not, I suppose, possible to say what circulation is necessary to induce publication of a book in Australia. But the actual large circulation of some books is not a sure guide; a large proportion of them are cases in which such a circulation could not have been foreseen, and in which the demand is anticipated cautiously by repeated orders for relatively small quantities. When the question is one of publication, the publisher must be able to foresee a circulation which will return him the costs of publication, and a reasonable profit. Where a publisher has the whole English reading world for his market, even a book with a limited interest may satisfy this condition, though every limitation tends to send up the price.

My point there simply is it must not be too readily inferred from the large circulation of a book in Australia that the book could have been published here, because many of these things are surprises.

Q.—And there are many surprises in the other direction?—Yes. My statement continues:—

> In Australia none but the few books of the most popular appeal would fulfil the condition. It will, I think, be shown that even in the case of the most popular authors, and of the best selling works, there is much unevenness in their popularity. One book is a success and another falls flat; one book is not noticed until it has been in the market for some time, and then suddenly bursts into popularity; another is a striking success in one country and failure in another. That is a matter which is quite well known in the bookselling trade.
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> Obviously the smaller the market the greater the risks. Unless Australia is the country of original publication, which could apply to very few works, the Australian edition must find its sole market in Australia; it will be excluded from every other country by copyright law.

I have stated that rather obscurely, and in a sense rather inaccurately. What I mean is this:—Take a book of mine that I published in England. I published a first edition there, and that, of course, had a general copyright. Then I published a second edition in Australia, and, of course, that also had a general copyright, and it would not be excluded by other countries by the copyright law. That class of case would be comparatively rare. The case that we have, I think, to deal with here is the case of a book which has been published elsewhere, and the publisher has what you might call a general copyright in the subject, but, owing to the duty in Australia, he assigns to an Australian publisher the Australian copyright. In that case the book that is published in Australia, by virtue of the Australian copyright, is confined to the Australian market; it is no use for other countries.

Q.—And it would be exceedingly unlikely that the sale of the copyright would go anything beyond that?—Yes.

By Mr. Kelly.—You are dealing with books of which the copyright still exists?—Yes.

Q.—If the copyright has lapsed, then that is another matter?—Yes, I was dealing with the case where the copyright still exists. My statement continues:—

> The increase in the cost of publication since the war has necessitated, if a book is to be published at all, the issue of much larger editions than formerly. The publisher has to be able to reckon on a much larger circulation before he can undertake the risk. That, of course, tells against the publication for limited markets. It is, I believe, the case, contrary to what is generally assumed, that the actual number of books published today is very much smaller than it was before the war. I cannot give you exact figures, but I saw the figures for 1913 and 1927, and the figures for 1927 were below those for 1913.

By the Chairman.—Has that been general, or was that a different year?—No, I think 1927 was taken as the year immediately preceding the year in which the statement was made. I think there was some correspondence, which appeared in the "Nation,' in which Mr. Unwin took an important part, and Mr. J. M. Keynes, the "Economist," and quite a number of publishers and booksellers also took part. My statement continues:—

> Moreover, the price of a book is compounded of the factors of costs and circulation; if the market is narrow the price must be high; if, with a given circulation, a book has to be sold at 15/, with three times the circulation it can be sold at 7/6. Australian readers, as part of a wide market, have the benefit of this in a narrow market; even where books could be published, they would encounter the high price, unless you are to suppose that the proportion of Australian readers can be raised to vastly higher figures in relation to population than is found elsewhere. I am not speaking of profiteering or exploiting the public by Australian publishers, but simply of the conditions under which price is necessarily determined.

Of course, you have the factor, to which a great deal of attention has been given by the applicants, that the actual cost of publication here is necessarily high, having regard to the fact that all the materials that enter into printing the book themselves have to bear a heavy burden of duty, and so on, all of which points to the fact, of course, that the increased cost of publication makes it necessary to seek for a wider market, and then you have to form some sort of equation between price and market. My statement continues:—

> The effect of increase on the price of books: Even if the duty were forty-five per cent. on invoice price, a work which now sells in Melbourne at 12/6 would cost the wholesale bookseller 12/6½, and must, therefore, be sold retail at about £1.

I am not sure of that figure, £1, but the manager of Robertson and Mullens will be able to tell you more exactly what the actual figure is. My statement continues:—

> There are few ways of spending money in which the average Englishman or Australian practises such rigid economy as in buying books; increases of such a scale as would be necessary would make him think it a wanton extravagance. The volume of the bookselling trade would therefore diminish, and with that, of course, the number of persons to whom that trade gives employment.

The Witness (continuing).—I might say that I speak there as one who has had a great deal of experience in book-buying, and I know how my own mind in regard to the subject has changed. There was a time when I thought a book would interest me, and I bought the book. Then, as prices go up, or your income is curtailed, you begin to apply other standards, such as "Is this a book that I cannot possibly do without?" or "Is there any chance of my getting this book elsewhere—is it good enough for me to rely upon a library copy?" and so on. It is affected by that, and perhaps I might on that speak again from personal experience with reference to the subject of periodicals. It is in cases where you pay a subscription that you are really, periodically, called upon to revise your plans, and if you find that the cost of the periodical has risen it might not affect you if you simply buy an occasional copy of that periodical, but it is going to affect you if you are a subscriber. You begin to think, well here is this periodical 50 per cent. more than it was last year; I must strike it off. I know that in regard to my own case that has had some effect. What has affected me more in regard to periodicals has been the growth of the cost of binding. I have dropped periodicals that I have been in the habit of taking, simply because the cost of binding them has become so high. Of course, where one had a complete set of anything, one was not going to spoil one's complete set by ceasing it, but where one has not a complete set, and, therefore, the value of the thing from the market point of view was small, one has just dropped one's subscription. My statement continues:—

> 5. To high prices, diminished sales and diminished employment must be added the financial difficulties that would follow the additional capital that would be required to carry on any given amount of trade. If £75,000 per annum is to be necessary to put on the market the books that £50,000 will now supply, and that is putting the matter at its lowest, one may ask: "Where is the money going to be obtained?" Existing booksellers are in no position to put in the capital; financing on bank overdraft on such a scale as would be necessary is out of the question. Even if it were practicable, the case would present a striking illustration of over-capitalising in relation to work done, at a time when the country demands the most economical use of capital.
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> In relation to protection of the book producing industry in Australia, it should be borne in mind that a diminution of imports will injuriously affect some part of the trade in Australia. Many foreign books are imported in paper and covers and bound here; periodicals, on completion of the year's parts, are sent to the binder. Neither can be printed here, so that the printing trade can gain nothing. But if the books or the periodicals are not imported the binder has so much less work. If a number of lawyers, finding the cost of their English Law Reports nearly doubled, give up their subscriptions, and depend on libraries, no Australian printer is going to gain anything, but a lot of binders' work is going to be lost. The same is true of medical, scientific and other learned periodicals.
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> 7. The duty as revenue:—As in the case of every other protective duty, in proportion to its success in causing the protected article to be made here, any estimate of revenue based on the value of existing importations is vitiated. In the second place, there is no fixed demand, the higher prices necessary upon the scales proposed will diminish importations, and, therefore, diminish estimated revenue, far more than will the works actually produced here.

What I am referring to there is the special non-substitutional character of books. If you are dealing with other duties, you may say that what is lost in revenue is made up in production here; but in the case of books my point is that you cannot say that. You may succeed in getting some books produced here, but a very large number of books not competing with those will, on account of the higher price, simply not be imported. My statement continues:—

> But there is a special feature of books and periodicals

to be noticed in this connection. By far the largest purchasers of books in Australia are the libraries, which derive their funds wholly or substantially from the Government, i.e., from the people—the Public Libraries in the city, the Parliament Libraries of the Commonwealth and the States, the National Library at Canberra, the libraries of the Supreme Courts, the Universities, technical colleges and institutes. If they are to have the same number of books as at present they must have more money from the Government; if they get no more money they must have fewer books. However, the charge of a duty on many of these institutions cannot be measured by their purchases of books. Many of them receive considerable numbers of books and other publications by way of donation, and some of these are of great value. These must either pay duty or be refused. Incidentally, if they are refused, there will be substantial loss of Australian book binding, for many of them have to be bound here.

Of course, that requires qualification in the light of the amended claim; but even there I notice that public libraries, Supreme Court libraries and Parliamentary libraries do not seem to get the benefit of the exception, and in regard to the rest, the medical, literary and Incorporated Mechanics' Institutes' Libraries—I intended to make the point that was made by Mr. Tate—a very large number of those are in no position to import themselves. It is out of the question for the mechanics' institutes in the country to send an order to England for each of the books that they want to take into their libraries.

By the Chairman.—I do not think that needs any elaboration. That is abundantly clear. I think we all know the country libraries?—Yes, you probably know them so much better than I do. My statement continues:—

8. The suggested exceptions from the duties: Proposed by way of exception to general duties, they require the consideration by some authority in Australia of each title sought to be introduced. It is not clear how this is to be done—whether a ruling may be asked for in regard to any book in advance of order, or the book must be submitted only on importation. In any case, presumably the Ministry and the Industry Committee may demand to see and have the opportunity of examining a book before pronouncing judgment on the mass of books imported into Australia; to examine these and make necessary inquiries the work will be overwhelming. If they are not, the determinations must be arbitrary and capricious. In any case, there must be delay and uncertainty as to the position of a book.

That, of course, also was written in regard to the first claim, but it is fully as applicatble to the later claim that is made, which sets an extraordinary number of questions to be answered, and I gather that even in relation to the second claim it is anticipated there will be this Industry Board to assist the Minister, and I call attention to the fact, as indicative of the manner in which this whole subject has been regarded exclusively from the standpoint of the printing trade, that the suggestion has been made that in order that that body should function properly, its membership must be confined to representatives of the two sides of the printing trade, the masters and the men.

By Mr. Kelly.—That was qualified under cross-examination?—Was it?

Q.—Yes?—Then I come to the question of copyright, and that is a matter which I think presents some difficulties which I do not think the applicants have faced, and which, even in regard to their present practice, they may not fully have realised. I noticed in the evidence of Mr. Catts in regard to fashion journals, for instance, the statement that these things originated in Paris, and that they must have them for purposes of publication here. I think he said they would have to have them even if they paid £5 apiece for them. Well, are they taking the plates from these Paris journals for the purpose of publishing them in their journals here? Because, if they are, they are infringing the copyright already.

By the Chairman.—On the evidence it is either being done by arrangement or without arrangement. We do not know which?—Quite so.

Q.—But presumably, as they are of such value, it has been done with authority?—One would assume so.

Q.—I think we may assume that, as they are of such value, the owners would look after their own interests?—I think that would be so. My statement continues:—

Copyright.—The subject of a Customs Tariff on books cannot be considered without regard to the position, distinguishing them from other commodities, that arises under the copyright law, which is itself based on an international convention to which Australia, among over 30 other countries, including Great Britain and all the Dominions, is a party. Except in those cases in which copyright has expired, all the works to which the proposed duties apply are protected by the law of copyright. This has two consequences. No work can be published here without the authority of the copyright owner. The imposition of a duty, therefore, does not leave freedom to manufacture; secondly, when the Australian publisher has got an assignment, and has thus become owner of the Australian copyright, he has a more effective protection than a tariff, because importation is itself an infringement of his copyright—no imported copies may be sold or offered for sale, and the Australian owner, by notice of the Customs, may secure the detention and forfeiture of all copies which it is attempted to import. The addition of a tariff protection, then, can only be for two reasons: First, because the Australian publisher could not sell at the imported price (that disposes of the suggestion apparently made that Australian editions will be cheaper than imported editions).

Secondly, to put the pressure upon the copyright owner to part with the Australian rights, i.e., to sacrifice the intellectual property, which copyright laws and conventions exist to protect, to the industrial interest in the means of reproduction. The grant of a licence or assignment is in the discretion of the copyright owner; whether he grants it, and on what terms, or refuses it, will be determined by him on the calculation of how his interests will best be served. He will take into account that the loss of the Australian market is the loss of something that may be nearly all profit, for the multiplication of copies is a trifling cost. He may see a better profit, even upon much restricted Australian sales of his own edition, than out of such a royalty as the Australian publisher, whose edition has to bear the whole cost of manufacturing the book, can afford to pay.

May I break off just at that point to say a word in regard to the benefit, or the contrary, of imposts of this kind upon the Australian author? Supposing you have a position of things in which, say, the English edition is excluded from the market under a very heavy tariff, and the author or owner of the copyright is invited to publish in Australia. Well, he is being subject to a squeeze in a way; that is to say, he is not in a free and open market for bargaining. It means that the Australian publisher has him at an advantage, and can, presumably, secure the right to publish at a better rate than he could if the market had been open; but the effect of that, of course, is not merely to beat down the foreign author. Its effect is to beat down the Australian author as well, because the number of publishers in Australia is pretty limited, the number of publications they can undertake is comparatively small, and they will say to the Australian author: "Well, we can get this English work published at a relatively small cost, so far as the copyright is concerned, and the cost of setting up and putting the book on to the market is the same, whether it is an English book or an Australian book, and therefore you, the Australian author, have got to put up with less." That is not fanciful, because that is exactly what happened in the United States of America. The agitation which secured the amendment of the Copyright Law of the United States, and which brought about the Act of 1909 was the agitation of associated authors and of associated publishers. The American authors found themselves in exactly the position that I have described. The publishers, having the run of English publications for nothing, offered negligible royalties to American authors, and, if any case is seriously made that the Australian author is going to benefit by restrictions of that kind, I think the experience of the United States of America is a complete refutation of it. May I now proceed to deal with certain considerations that arise out of the International Copyright Convention? My statement continues:—

The principle of the International Copyright Convention is to put works published in any country of the union upon the same footing in every other country of the union as if they were published here.

The "manufacturing clause" in the U.S. copyright law requiring as a condition of copyright that books shall be printed in the United States has been the reason for her exclusion from the Copyright Union. A similar clause in the Canadian Copyright Act had by subsequent legislation to be amended, so as to limit it to cases outside the British Empire, and outside the International Copyright Union.

By Mr. Kelly.—So that, in effect, it really applied merely to the United States?—Yes.

Q.—And was really retaliatory action.—Really that was the position. I am not sure that they have not swept that away now by Order-in-Council, by some sort of arrangement between the two countries. My statement continues:—

The proposed Australian tariff is assuredly a means of securing the same industrial protection at the expense of the copyright owner. The difference between the prohibition of importation of the work—the American means—and the imposition of a prohibitory tariff may be ignored, and the only difference between the cases lies in the fact that under Australian law the copyright owner would still be able to prevent unauthorised editions from being published in Australia during the whole term of the copyright, while under United States law he has this right only for a limited period of four months.

Evidently a very grave question must arise as to whether, if the American law precludes the admission of the United States to the International Copyright Union, the Australian law would be consistent with Australia remaining a member. In substance the situation under American law is more favourable to copyright owners than it would be under Australian law, for the wide market in America and the competition of publishers to get into it give to the owner of the copyright the opportunity of publication and a great bargaining power with publishers.

That is notorious. We know English writers who make vastly more from their American sales than they do from their English sales. My statement continues:—

Obviously in Australia he would be shut out from both these advantages.

If the scheme of the protective duties is to ensure that an unwilling owner of copyrights shall be compelled to give facilities for an Australian edition, it would have to be carried out by an alteration of the law, providing for compulsory assignments or compulsory licences, upon terms fixed by law, and not by agreement. The question of compulsory licences in relation to the Copyright Convention has given rise to disputes. In some countries provision has been made for compulsory licence in particular cases, but always, so far as I know, on account of some special conditions, of which the common character is that they are conditions which prevent the public from getting access to the work—familiar cases are those in which a book has got out of print, or where translation is desired into a language which is so restricted as to offer no inducement for profitable publication. The interests regarded it will be observed are the cultural interests, not the commercial or industrial. Even within these limits the compulsory licence has been vehemently contested as not consistent with the Convention. So far as I know, it has never been suggested that a country may go further, and within the limits of the Copyright Convention apply compulsion to a work generally, not because the copyright owner is unable to supply the public demand for his work, or because it is otherwise inaccessible to the public, but because national policy desires to protect a particular industrial interest of its own

The objections attaching to either a prohibitory tariff or to compulsory licences, considered separately from the standpoint of the International Convention, would, of course, be intensified where these two elements were associated as part of a single system directed against the copyright owner.

Might I just add one word in regard to that? A case which might stand out as an objection to that line of development would be gramophone records. Gramophone records are copyright in other countries, and they are made here, I imagine, under some provisions concerning compulsory licence.

By the Chairman.—They pay royalties?—And they pay royalties, but the whole subject of gramophones and mechanical music generally is dealt with by a specific provision of the Copyright Convention, which enables each country by its own domestic law to establish exceptions and reservations upon the general protection that is given, together with a clause that, if they do this, then records that are manufactured in virtue of this special power given are to be confined to the country in which they are made. The fact that that is specifically dealt with in the case of gramophone records rather strengthens the view that the same kind of thing could not be done under the more general provisions of the Convention which deals with books. My statement continues:—

Three further points arising from copyright must be considered. First, an Australian edition of works copyright elsewhere would be necessarily restricted to the Australian market. Just as an assignment of Australian rights in a book excludes from Australia copies lawfully produced elsewhere, so that importation of an "Australian edition" into other countries would be prohibited as an infringement of copyright there. That is why I have spoken generally of Australian editions of books published elsewhere being confined to the Australian market.

By Mr. Kelly.—You have already qualified that in illustration of your own publication?—Yes. I should rather like to refer to that publication of my own, if I may, when I have finished my statement, because that is a case of reprinting here.

By the Chairman.—I have a note to ask you in that very respect. That will be very interesting?—My statement continues:—

Secondly, if Australia has to go out from the International Union, and if her legislation is inconsistent with the reciprocal legislation within the British Empire, Australian publications lose all protection outside Australia, and Australian authors will, therefore, be compelled to publish abroad.

Under the Copyright Convention, if they publish abroad, then they would get the benefit of the protection that is given in other countries to the country of publication, so that the Australian author would not go unprotected, but in order to get protection he has to go out and publish elsewhere.

By Mr. Kelly.—You are not implying that we would be outside the Berne Convention as a result of putting the duty on?—I think that we might.

Q.—We would not really be attacking the copyright law?—Well, you are attacking the interest that the whole subject of copyright exists to protect; that is to say, the interest of the author in his work; and you are saying, "You shall not have a specific advantage; you have one advantage as far as Australia is concerned"; that is to say, you can exclude other people from publishing, but the exclusion of other people from publishing is a barren right unless you can publish yourself; and if you publish yourself you must print in Australia, subject to a very heavy penalty, or, it may be, a duty sufficiently large to keep your work out of Australia.

Q.—I take it the assumption was that assignments would be made; if publication were possible, it would be under assignment?—It would be under assignment, no doubt. My point is that you have applied the squeeze so far to the interest which the Copyright Convention exists to protect; that is to say, the interest of the author. It would be very doubtful whether that is a compliance with the convention. I may say, incidentally, that the matter has already been referred to in the January number of the official publication of the Copyright Bureau at Berne. It has noticed this proposal, which it refers to in connection with the United States law upon the subject. They are very prompt to find these things out. Berne is very vigilant in all these matters, and the question, I am sure, will be raised in one form or another. I am not expressing a final legal opinion upon the subject, but I am certain the thing will be question. My statement continues:—

> Thirdly, if Australian legislation provides for compulsory licences or assignments, it cannot confine that to foreign authors and foreign publications.
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> My assumption is that, if legislation of this kind is passed—that is to say, if duties of this kind are imposed for the benefit of the Australian printer—it is almost certain to be followed by the compulsory licence. That is to say, you refuse to allow the copyright owner to say, "Well, whatever you may do with your law in Australia, I am going to stand on my copyright; I am not going to give you any licence, nor going to give you any assignment at all."

By the Chairman.—Yes, there is a provision now in our patents law, is there not?—Yes, that has to be considered in connection with the Industrial Property Convention, which, perhaps, by a rather strained interpretation allows that.

Q.—Anyhow, it would be a natural sequence to this?—Yes.

Q.—To say to some obstreperous copyright owner: "Well, you are not to be the judge; you have got to publish in Australia or sell your rights?"—Yes, I think it would follow. That brings me to my third point:—

> Thirdly, if Australian legislation provides for compulsory licences or assignments, it cannot confine that to foreign authors and foreign publications. The International Convention requires identical treatment; every person who published in Australia would do so subject to the right of anyone else to republish here the work on paying the licence fee fixed by the Government. That, of course, would be an additional risk that must affect the mind of a publisher in Australia in considering whether he will publish any work.

The matter that I stated before, in regard to the Copyright Convention, was, as I indicated, a matter upon which some question would arise, but I do not express a definite legal opinion one way or the other. However, in regard to this last matter, there is no doubt at all.

Q.—But this is subsequent on your other assumption?—No, it is based on this assumption that we find it necessary to adopt the compulsory licence or the compulsory assignment.

Q.—If that were so, this would follow?—This would follow, and any book published here by an Australian writer or anybody else is then subject to the condition that anybody may get a compulsory licence here to reprint that book here. That is the position under the Convention. That is rather a serious matter for people who are thinking of undertaking books here.

By Mr. Kelly.—That thing is applicable in the United States to-day?—No, they are outside the Convention.

Q.—Yes, but we would put ourselves outside the Convention if we took similar action; I mean if we took the action of forcing?—Compulsory assignments?

Q.—Assignments?—I should think so; but, as I say, you must not take that from me as a final legal opinion. I think it would force us out, but this is on the assumption that it does not force us out, this third point that I am speaking of.

By the Chairman.—That is on the assumption that we stay in?—Yes.

Q.—Naturally, because if we were outside of it, we would not be bound?—That is so. My statement continues:—

> In the above statement I have set down considerations suggested by my connection with the publishing and bookselling trade in Melbourne, and by my professional knowledge and experience in regard to copyright. I want to add something based upon my outlook as a student and the association established through my work in the University with the intellectual life of a community, and, perhaps, also something suggested by my experience outside Australia during the last three years.
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> The abolition in England, over 60 years ago, of the newspaper duty has given us a trite phrase, "the tax on knowledge," which has not, I think, been lost sight of in the course of this inquiry, which marks the significance of the Act in the development of intellectual freedom. Whether we consider the community or the individual, the knowledge which is communicated by man to man thrcugh the medium of the printing press is not less important than it was in those days. It is becoming more and more true that, not one or two professions merely, but every occupation, has its own "learning," and that success of the individual and progress of the community depend on the dissemination of, and additions to, this knowledge. Any neglect of this, any discouragement of it, has to be paid for in lack of capacity for using the material to our hand, and for adapting ourselves to the conditions of modern life—in other words, by lack of progress. No country can hope to be self-sufficing in knowledge, and no country can hope to make its own contribution to knowledge worthy of respect, unless it opens its doors freely to knowledge from every quarter.
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> Australian authors receive their equipment and their stimulus only through the full mind which comes from access to the best minds, and to the published knowledge of others. One great advantage we have is that our mother-tongue itself gives that access to a knowledge of the widest range. How great this advantage is, perhaps one realises only after contact with many of those, who, having a restricted language as their mother tongue, can only reach out to the world's knowledge through learning one or more of the "international" languages (French, German or English), and who recognise that this is a condition of their civilisation. To throw away or diminish this advantage, through setting up voluntary obstacles, is suicidal, whether we regard the spiritual or the material aspect. This is the more true in the case of a country which is "new," in the sense that its development is still in the early stages, and its national life beginning to take form and character.
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> The access afforded by our English language to literature—using that term in its widest sense—gives us the opportunity of overcoming many of the disadvantages which attach to distance from the centres of the world's life and thought, and from contacts which enrich Europe and America. But it is an opportunity of which the utmost use must be made, if we are to avoid dangers inherent in isolated communities—a certain crudeness and lack of standards, which may affect both thought and action.
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> In referring to the countries with the restricted languages, I had a good deal of opportunity during the last few years of meeting the people who are in that position at Geneva, and at Geneva the subject of language is a very constant subject of conversation, owing to the difficulties that many countries represented in the League have in expressing themselves. They have to express themselves in a language which is not their mother-tongue at all, English and French being the two official languages there, and over and over again, in talking with, for instance, people from the Scandinavian countries, they have expressed their envy of a country like our own, which shares one of the big languages of the world as its mother-tongue, and, therefore, has, without trouble to itself, access to literature which they can only get at through acquiring a foreign language. I, on my part, put it to them what wonderful linguists they are. I have in mind particularly a conversation I had with a very distinguished Norwegian, who speaks English as well as I do, and French certainly as well as one heard it spoken by anyone other than the Frenchmen at Geneva, and also German; and, speaking about the wonderful attainments of that kind, and what it must mean to a country to attain that, he said, "Yes, but think of your own country, where you have access to so many books which we can only get access to by acquiring foreign tongues."

Q.—It is rather unfortunate for your reference that Norway puts a duty on books imported into Norway?—Yes, in her own language, but not in foreign languages.

Q.—Yes, but you would think she would, above all, try to encourage the printing of books which she might not otherwise get?—No, I should say, rather, that she feels the necessity of getting access to English, French and German publications, and so she is careful to impose no obstacles to their introduction into the country, but in the case of a book which is printed in Norwegian she says, "Well, if you deliberately go outside the country and print a Norwegian book, that may be a case for imposing a duty." I quite understand that. I was not aware that Norway had any duties.

Q.—Yes?—While we are speaking on the subject of duties, I would like to refer to the case of Switzerland. I notice in the evidence that the Board has some information before it as to the existence of import duty on books in Switzerland. I am not aware of any such duties.

By Mr. Kelly.—I do not remember that?—There was some reference to the subject.

Q.—Sweden?—And Sweden also.

By Mr. Berchdolt.—It was just mentoned by a witness, but there was no detail given?—A little over two years ago I lived in Switzerland for four months, and during that time I was getting library books from England every week, from "The Times" Book Club. I was also importing some books—I bought both from England and France—and I have not the slightest recollection of a duty. If the duty has been at all a substantial one, I would certainly have remembered it.

By the Chairman.—We have tried, but we have not been able so far to find out whether it is a fact or not.

By Mr. Kelly.—One of the witnesses in Sydney undertook to give us the full information in regard to any duty?—I should be very much surprised if it is so, having regard to the fact that a book-publishing and bookselling trade is characteristic of Switzerland. They have wonderfully good bookshops in Geneva.

By the Chairman.—They have two languages?—Three; but for literary purposes you could say they have just the French and German. My statement continues:—

> One of the most striking characteristics of to-day is the insistence that in view of the interdependence of nations, the peace and prosperity of the world depend ultimately upon the cultivation of mutual understanding among nations. This in itself is a difficult enough task, and we may not be able to make many positive contributions to its performance. But the organisation of the world of States in the League of Nations, the interest which every country's policy now excites from the standpoint of its tendency to further or hinder the ideals of the League, will draw attention to any country which deliberately adopts a policy tending to narrow its intellectual life, and to foster ignorance of thought and conditions in the world among her citizens. The inference that will be drawn of indifference and insincerity will discredit such a country far more than would have been the case a few years ago, and will be a heavy weight against any influence it may desire to have in the counsels of the League of Nations.

I hope that does not appear fanciful to the Board, but to one who has worked at Geneva it is a very real consideration. One has the certainty that it would be thrown up against you. You have the certainty that when people are delivering addresses upon the League and its work and intellectual understanding, a note will be thrown in to the effect that one country of the League has taken action of this kind, and so on.

By the Chairman.—Even one body which came forward this morning, represented by Mr. Rundle, the Printing and Allied Trades Employers' Federation of Australia, a body who should be very closely interested in this proposal (perhaps one would almost expect they might be interested in a direction contrary to their evidence), have refused to give any assistance to the project, excepting in so far as it applies to books of all kinds which have been printed or reprinted in Australia and then printed abroad. I am quite sure, if you would care to give us your experience, or your opinion based on your experience, as you said you first printed in England and then you printed in Australia, it would be helpful to the Board. Where would you stand if you again printed outside Australia? Naturally, some copies, even if they were not a large number, would undoubtedly be imported into Australia, and under that proposition they would be taxed?—Well, I should have to consider very carefully what I was going to do. That is to say, there were various considerations which induced me to bring out the second edition of my book in Australia; but if the law had then been that if I wanted to bring out a third edition of the book, that third edition must, subject to heavy imposts, be published in Australia, I should have considered very carefully whether I would bring out the second edition in Australia, or whether I would not do with the second edition as I did with the first; that is to say, bring it out in England. I do not say that that would have absolutely determined me, because there was a number of considerations affecting the case; but undoubtedly, if the publication of a book in Australia is going to hamper your freedom in regard to subsequent editions of the book, that will rather be a reason against having your book printed and published in Australia in the first instance. In my own case there was a number of considerations affecting both the first and the second editions. I took them all into account, and decided upon publishing the first edition in England and the second edition here. I do not know whether it would help you at all if I explained to you the sort of reasons.

Q.—I think it may help—I mean it would show what was in the mind of an author, and what may be in the minds of other authors?—Yes.

By Mr. Kelly.—In connection with the publisher and the author, it is the publisher that obtains the copyright, is it not?—That is entirely a matter of arrangement. In publishing a book, when you write a book you sometimes dispose of the copyright out and out to the publisher, and then you are done with it.

Q.—It is really the author's prerogative?—Yes.

He can do what he likes?—Subject to this———

By the Chairman.—If he does not do what the publisher likes, he does no business?—Quite.

By Mr. Kelly.—He really sells the copyright to the publisher, does he?—Yes, but you may have this position: The author might say, "I, as the author, say I retain the copyright, but I will give the publisher the first opportunity of bringing out a second edition." That is to say, when I am thinking of a second edition I will go to him and say, "Well, are you prepared to bring it out?" If he is, then I must publish through him. If he is not, then I am free to go elsewhere. That is the position in regard to my own book on the Constitution of the Commonwealth. I deliberately published the first edition in England, because it was published just shortly after the foundation of the Commonwealth, when there was a very extensive interest in this new Constitution. I knew that the demand from other countries would be very considerable, and I knew that in those circumstances an English publisher had far better opportunities of distribution than an Australian publisher would have, and so I went to the English publisher. Then, when the question of a second edition arose, some ten years afterwards, I communicated with my English publisher and reminded him that he had the option over the second edition, but I said, "I have to tell you that it will have a much more restricted extra Australian interest than the first volume."

By the Chairman.—Because of the lapse of time since the Constitution?—Yes, and because also of the fact that in the second edition one had to deal with the development of the Constitution in Australia, and the very technical development that had taken place in the courts which is of general interest only to specialists in other countries, but which is, of course, a matter of very practical concern here. Obviously, therefore, the second edition was mainly called for by Australian conditions, which meant that the Australian publisher had facilities for distribution here, and there were certain conditions also in connection with the printing off of the book that made it advantageous to publish it here. There were cases pending in the courts, and decisions might be given. It might be desirable to make alterations in the book, and so on. All that was a consideration in favour of publishing here.

Q.—Naturally, after having said so much it is clear that with a different type of book conditions might be entirely different?—It might be.

Q.—If a third edition of your book were to become desirable, the chances are that all the considerations that influenced you to publish in Australia in the second edition would again influence you in the third?—Unless I determined upon a different plan of the book. I can conceive the possibility of a book on the Commonwealth Constitution which I might think had more advantages to place with an English publisher, if I were making a very general review of the subject, but I must add this, that in comparison with Australia, the work of publication in England and America—incidentally, I have published in America—is totally different. The work of publication there is very specialised work. You have got a publisher to take up this line and a publisher to take up another line, and so on. They have developed all their different modes of distribution, and so on. We cannot have anything of that kind here.

By the Chairman.—In a technical way, it is rather interesting. I am not sure now that the item suggested was really intended to cover a work of the nature of your book, because it does seem to me, reading it, although it does not say so, there can be read into the wording "Books which in their entirety have been set up and printed in Australia at some time." Naturally, in a book of the class which you published, your second edition included a very large volume of matter which was not in the first edition?—Yes.

Q.—I scarcely think that is intended?—It may not be.

Q.—It opens up quite a question of interpretation, which we need not go into; it is interesting, all the same?—That, of course, is one of the difficulties I see in the proposals—there is not one item in them which does not open difficulties. I said something at the outset regarding this claim, but just on matters of interpretaion, take Item 339, Books and/or publications not carrying advertisement matter, namely, novels or works of fiction or literature of a similar character. What does that mean—does it confine you to novels, or is it intended to cover books generally?

By Mr. Kelly.—I think you had better not get your legal mind on to these classifications?—I am afraid the things that I have noted on this schedule would take the greater part of the day to deal with. Might I just refer to books printed by any Government? I would like to say that I think the League of Nations' publications should be excepted—they are of extraordinary value—and, secondly, "books printed by any Government" is rather a wide definition. The British Government does not print any books at all; there is a King's printer, who carries out the ordinary printing.

Q.—It is a matter of interpretation?—Perhaps I need not trouble you about these matters, but I would like to say something about law books. I do not know whether anybody is coming here to speak in relation to Australian books, but I might say that Robertson and Mullens, of which I am a director, does not deal in law books at all, so that I could not say anything about them. I would like to point to some of the difficulties, because the schedule refers to books, legal, dealing with Australian, Commonwealth or State, laws. In one sense, almost every English law book deals with our State laws, or deals with the laws of Australia, for this reason, that our law, except so far as it is statute law, is substantially English law. I cannot say that Anson's book on the Law of Contracts, or any ordinary English textbook, would not fall within the definition, but, apart from that, to an increasing degree, as the Dominions have become more important, the legal books make reference to the law of the Dominions. They do it either in order to popularise the use of that book in the Dominions, or more often without any thought of that, simply to make their treatment of the subject complete. You are dealing with certain legal subjects, and you look round the countries in which some similar law prevails, and if you find a valuable decision or a significant statute in Australia, you include it. To take one or two specific matters, which would be very hard cases indeed. Take the English Law Reports, which come out in parts monthly. The English Law Reports are paid for by an annual subscription, and one volume of the English Law Reports contains appeals to the Privy Council, and those appeals to the Privy Council include appeals from Australian Courts. It seems, therefore, that the English Law Reports would come under this rule.

Q.—I think I see your point; that is, if the Board, in its wisdom or unwisdom, as you may think, should recommend such an item, it should be "Dealing solely or primarily with Australian Commonwealth or State laws." I think that would make it less objectionable?—It would be very difficult to secure it absolutely. Might I just mention one very big thing? There is now approaching completion what is known as the Empire Digest of Case Law; that is in 43 very large volumes, to be published and sold here at 29/ a volume. The plan of that is to include significant cases upon any subject whatsoever from the Dominions, and on every page you will find a note on some Dominion case. Taking that as 43 volumes at 29/ a volume, that would certainly bring it within the duty, according to this schedule. Might I take just another case? An important German work has just been published—a comparison of the commercial and civil laws of a large number of countries, including Australia and New Zealand. That, of course, will come within the duty. I want to emphasise this: that it is becoming more and more the case that law books are taking this wider sweep and bringing in whatever is significant in the laws of the Dominions. I picked up only on Friday afternoon a recent book, which it would never be suggested Australia would be able to produce. It is a work on the marginal seas, dealing with the subject from a standpoint of international law, and in two pages stating, and stating completely, all the Australian material there was upon the subject. It deals completely with the Commonwealth and State laws on the subject. I do not know that there is anything more I want to say, excepting that I would like to say a word or two about secondhand books, because that, again, affects the law very considerably. No law library could have been founded in Australia, and I say that deliberately, except upon a broad basis of books which could only have been imported secondhand, because they are books that are long since out of print, and they are books which, for the purposes of reference, you must have. Then, with regard to the editions of to-day, if you take the law reports, and you want to buy a set of the law reports, those are only to be obtained secondhand. The publisher of those law reports is no longer issuing them, and they are being imported here, sometimes on special orders and sometimes by the booksellers as speculations. Then if you take the scientific and literary periodicals and journals, we have to import sets of those things secondhand, because that is the only way you can get them. I do not think there is any other point I desire to put before you, but I will be very pleased to answer any questions.

Q.—I think you have fairly well covered the ground?—I thank you.

(Witness withdrew.)

ERNEST SCOTT.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—As chairman of the Library Commitee of the University of Melbourne, and also as Professor of History of that University. The University has drawn up for your information a memorandum containing a number of points which we wish to put before the Board. I do not think there is any need for me to read it. I am not the author of the memorandum, but I have read it carefully through, and it embraces my own view and the views of the University generally, and I put it before you as an official statement. The statement is as follows:—

The University of Melbourne begs to put forward the following considerations in opposition to any proposal to impose a Customs duty on books and other publications:—

1. Australia is already sufficiently heavily handicapped in facilities for the purchase of books by reason of her remoteness from the great centres of production. Booksellers have ordained that, on account of sale risks and costs of transportation, coupled with price organisation, a selling price shall be imposed generally about 20 per cent. in advance of that in use in countries of origin.

2. Books and other printed material, as the vehicles of knowledge in a concrete form, hold a peculiar place in modern civilisation. Any tax upon them would in effect be a further barrier to the dissemination of knowledge.

3. While the Universities feel that a claim by them for exemption from any tax that might be imposed would be unanswerable, and could not reasonably be refused to them as educational institutions, they likewise hold the opinion, being responsible for the development of higher education in Australia, that no citizen, whether attending a University or not, should be penalised in respect to the price of books.

4. While the general effect of the Australian tariff is claimed to be the fostering and development of Australian industries, that policy cannot be applied as yet to book production, nor can be with any real justification until our population has increased to many times its present proportions. At present, with existing limits imposed by this condition, it is impossible to produce works of substance locally without special subsidies. A tax would only further complicate this already difficult position.

The Printing and Allied Trades Employers' Federation of Australia has resolved to oppose any duty whatsoever on printed books, magazines, and such like publications, for the foregoing and similar reasons.

5. Since knowledge is without geographical boundaries, the effect of any tax would further penalise authors of scholarly works and books of high literary merit, who are already severely handicapped. Writers of books, as disseminators of knowledge, have a right to demand that the production of their brains should not be denied either the freest world competition or the widest circulation.

6. The practice of the United States of America has been quoted as a guide for Australia. As a matter of fact, the United States is practically self-contained as to book production. It has an enormous population, its own copyright laws, and does not adhere to the Berne Convention. There is no market there for this or any other country, and its practice cannot possibly be followed by us because of our limits of population, and, in addition, our very proper sense of international obligation.

The subject in which I am interested particularly, and, in fact, entirely, is books which are used by students at the University, in schools, and by student teachers—that is, teachers of students and in schools who want a more expensive kind of book than that which is used by University and school students. In reading the evidence given in Adelaide, I am not sure whether it was proposed to include, by those who advocate a duty on books, books of the student class. If it is, then I would like to direct your attention to the fact that there are some books on the one hand which are very dear, and on the other hand very cheap, which could not possibly be produced in Australia, either under existing conditions or under any conditions that one could conceive of at present.

Q.—The exemptions are rather hazy, and I was going to ask you if you could, in conjunction with the Public Librarian of Melbourne, whom I asked this morning to prepare a certain list, draw up a list, or get somebody at the University Library to collaborate with Mr. Boys in the matter of drawing up a list, such as I asked him to prepare, for the moment not taking any side on the question as to whether there ought to be a duty on books. I asked him to draw up a list of books which he thought should be absolutely sacrosanct, and which should not be touched at all. Do you think you could draw up such a list?—I am not sure whether that would be possible. I produce a book, which is quite new—I have not taken the jacket off it yet—it is one volume of the Combridge Mediaeval History, which has just been published. When it is completed it will consist of 28 volumes. That comes from London at £2/10/ per volume, and the total set will cost £20 London.

Q.—Can you make a rough guess of how many issues there may be in Australia?—That is the point; that is the reason why a book of that kind could not possibly be produced in Australia—in fact, it could not be produced in America.

Q.—I do not think you need spend much time on that, because I do not believe the advocates of this duty had in mind the putting of a duty on a book like that?—This other book which I produce is at the other end of the scale. The Cambridge volume is a very big book, and is a very dear book. This book I now produce is a book which is one of the series of the "Everyman" Library. It is sold in London at 2/, and sold by the Australian bookseller for 2/6. That is a book which we wanted Mr. Dent to put in his "Everyman" Library, because we want it for students. It was a book by Wakefield, which was the book which really led to the foundation of South

Australia and afterwards New Zealand. Mr. Dent told me a book of that kind would not run into the number of copies he required for the "Everyman" Library. He told me that for every book he put into the "Everyman" Library he had to sell ten thousand copies before he got a penny out of it. The University wanted that book for the students to use, as it was a book which Wakefield wrote, which led to very important consequences in Australia. Mr. Dent said he could never sell ten thousand copies of that, and I do not think he will, but, being a publisher of a series which contains now over 900 titles, he could afford to give us one, because he will make the loss on these copies out of the big sellers like "Pickwick Papers," "Oliver Twist" and the rest. He gave us that book because we are good customers of his in other directions. That is a book which could not be produced in Australia at the price at which it is sold to students under present conditions. I took that cheap book to illustrate my point.

Q.—It would be impossible to include that in the category of exemptions that we have here?—I am afraid it would, but this book is very valuable to us, and to young men who want to know how Australia was founded. On the other hand, there is a large range of educational books which undoubtedly can be produced in Australia, and are being published here to-day. Here is a book not yet published, but it will be published within a day or two by Angus and Robertson, of Sydney. It is written by a Melbourne man who is a master of the Scotch College, and so far as I have examined the book at present, it is a good book, thoroughly commendable, and from the point of view of book production, style and binding it is excellent.

By Mr. Kelly.—It is an interesting fact that Grenfell Price has found publishers who will print his book based on that calculation you have there?—It is based on more than that; it is based on the documentary material in Adelaide. I know the book well.

Q.—I mean to say it does suggest that they found a market, and there is the possibility of finding a market?—I know Mr. Price, but I do not know the conditions under which the book was produced. Before I could say it found a market I would like to know something about the way it paid him. I doubt very much whether it did pay him. It is a good book, but I should like to know whether it was a profitable publication. I doubt whether it was.

Q.—He has published a second one?—There may be funds available. We publish books at the University Library. We have publishing foundations. There was one book on the basic wage by Mr. Anderson, and it is quite a good book from the point of view of production, paper and bookbinding, and it is quite on a par with a book which can be produced anywhere else in the world. Dr. Anderson is a printer, and he took a special pride in producing the book. I do not know any better book than that.

By the Chairman.—Taking that book compiled by the Scotch College master, was that published here with an idea of being a textbook for schools?—Entirely.

Q.—It will have a very limited circulation outside of Australia, if any?—None at all.

Q.—It is not designed to have any circulation outside of Australia?—Not at all. The subject is amply covered by at least a dozen books I could mention published in England. It covers the ground, and the value of the book is that it covers the ground with a particular desire to tell Australians the Australian point of view with regard to the process of development.

By Mr. Kelly.—It is sufficient, from the Australian point of view, to make it acceptable to the Australian public, and not acceptable, probably, to others?—That emphasises the point which we want to bring out. For instance, the development of responsible government is, perhaps, less of importance to the boy in England than the Wars of the Roses. The Wars of the Roses are nothing to us, but the development of responsible government is; hence the value of the book to Australia. When there is a market books can be produced all ready; that is the point I want to make. The only other point I wish to speak on is about secondhand books, and that is a matter which is very important to us. I was rather alarmed at the suggestion of a duty on secondhand books. There are two classes of secondhand books, and they want to put a tax on them.

Q.—Not only to tax them, but they want to prohibit them?—That is worse. What I want to say is there are some branches of knowledge which you cannot possibly pursue without secondhand books. Professor Harrison Moore alluded to law books, and the same thing applies to history books, and every other book that is out of print and there are no modern copies. It is very difficult to get a lot of these books. Only by the last mail I got from the bookseller I deal with in London this book, which is a contemporary account of the English Revolution of 1688, which deposed the Stuarts and inaugurated the British system of limited monarchy. You could not buy that book as a new book. It was published in 1788, and has never been reprinted. Unless you could get it second-hand you would not be able to study it at all. My bookseller was looking for this book for three years for me, because I wanted it. That is one class of book which the student in Australia must have secondhand if he is to have it at all. Secondly, there is a class of book which was alluded to by one of the witnesses in Adelaide, that is, consisting of the books that have been handled or circulated by circulating libraries, and which come into the market cheap. They are of very great value to Australian students, for this reason, that I specialise in a particular branch of literature, political biography. I have a pretty well complete collection, and if I had to buy those books new I could not have looked at them, because they are published generally at a very high price, and with very little expectation they will have a market as new books. For instance, take the Life of Lord Granville, who was a Foreign Secretary when the trouble arose about New Guinea. That book contains first-hand information about that subject. That book was published, and it was a very dear book, at the author's expense, and I suppose very few copies of it would be bought. In due course, after having been circulated through circulating libraries, such as Mudie's and the "Times" Book Club, they come into the catalogue as secondhand books, they are no longer in demand as new books, and then is the opportunity for the Australian book-buyer to get that sort of book if he wants it. If he cannot pay the original price, he can get it then at the secondhand price. Those are the only points I wish to speak upon.

Q.—With these secondhand books, it is quite obvious the proposal to prohibit them is loaded. With regard to some secondhand books the proposition might be reasonable—I mean with ordinary fiction, modern-day fiction, it may or may not be. I am not expressing any view on that, but it is quite obvious that you would scarcely be able to define those secondhand books which should not be interfered with?—It would be exceptionally difficult, I think.

Q.—Would you look into that matter I asked you about earlier, and see if you can draw up any definition that would help us?—I will do so.

Q.—We admit the difficulties, but will you go as far as you can, and then express your views as to the completeness of the list?—Perhaps our librarian, who was formerly an official of the Public Library, will be able to give some reliable information on that point.

Q.—We would be glad of any information that you could give us?—I will do what I can.

(Witness withdrew.)

SIR WILLIAM HARRISON MOORE.

Already Sworn.

To the Chairman.—Might I say a word on the subject of fiction? There is this aspect of fiction which must be borne in mind. From fiction we learn most of the actual life, it may be, of a particular historical period, or it may be of a particular country. Take the history of our Victorian era: the real opportunity that one has of knowing the life of the period is in the works of George Elliot, Jane Austen, George Meredith and Anthony Trollope, and so on, and similarly with other countries. Take Balzac and Anatole France; those are two particularly good instances.

Q.—That question was raised in Sydney on what was an educative book and what was an imaginative book. That point was made, and it was said that you could not separate the two?—Quite so, but there is a certain disposition to throw over fiction as of little educational value. Of course, some of it is, but there may be other books which are published, and there are books which are published in other lands, which are distinctly of educational value.

(Witness withdrew.)

DOUGLAS BERRY COPLAND.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—I am a member of the Library Committee of the University of Melbourne, and Professor of Commerce at that University. I only wish to amplify what Professor Scott said concerning the publication of books here and in reference to the point raised by Mr. Kelly about the publication of Grenfell Price's book. I do not know the circumstances under which that book was published, but I have had some experience of the publication of books on economic problems in Australia, and in no case have we been able to publish in Australia a book without a subsidy. We are anxious to encourage this class of book; we want these books for our students. Within the last eighteen months we have published three books—"The Australian Tariff," "The Peopling of Australia," and another book—all books dealing very directly with economic problems in Australia, and in no case could those books be published without a subsidy. No tariff will assist that at all. Taking the books that I use for my students, I went through the list, and, although we are anxious to have Australian material, 90 per cent. of those books must be imported dealing with the economic problems that the students have to study. Wherever possible we publish Australian works, but we can never do so without a subsidy.

Q.—Would you give us confidentially the circumstances concerning those publications you mentioned?—We will be glad to do that.

Q.—I think it will be helpful to us; that is the class of book—those three books you mentioned—that are particularly Australian, and should be of very much interest to Australians?—They should be.

Q.—One would have expected, with regard to one of those books at least, it might have been published without a subsidy?—It was published at a very low price, but a substantial subsidy was required. There is another point apropos of what Professor Scott said concerning secondhand books. I tried to obtain a copy of a book by Paton on the economic basis of protection. It is the most recent statement on protection, and is one of the best works on the subject I have ever read by an economist. I endeavoured to get that in Australia; it was published in 1890, but, notwithstanding all the inquiries I made, no secondhand copies were available in Australia, and I will have to get one from America. I have not got it yet, but I will eventually get one. The prohibiting of secondhand books would lead to the absolute impossibility of getting a book like that in Australia. There is one other point I would like to mention while I am here, and that is this: I have looked into the facts of the unemployment in the printing industry in Australia, compared with unemployment generally, and I find, according to the figures, that unemployment in the printing industry in Australia shows that there is no depression at all in that industry.

Q.—We have had evidence on that, but I would draw your attention to this: that supposing one hundred per cent. are at present engaged, it would still be a very fine thing if we could double that number?—With your permission I would be prepared to say something on that point, too. The imports of books, periodicals, music and newspapers into Australia in 1927-28 amounted to just under £1,400,000. The local production, according to the statistical classification of similar materials, amounted to £21,000,000, but that included other things, and they are very hard to dissect. The total hands employed numbered 34,000. Supposing you put a tariff on books, the first question to consider is—How much of the £1,400,000 imports will be produced in Australia? It is very difficult to say that, but supposing half of it is produced in Australia, which I think is an extravagant estimate——

Q.—I think it is a fairly liberal one?—If half were produced in Australia, that would increase the local production by three and one-third per cent., involving the additional employment of hands to the number of about one thousand. But it is impossible to think of one-half being produced in Australia, for varying reasons. In the first place, you would still have to import the other half—that would be necessary books, apparently. That would give you under seven hundred thousand—at least 25 per cent.—so that you would have less than one-half, and you would not produce here £700,000 worth. You might produce, say, £500,000. Then, in the second place, the locally produced books themselves would be more expensive than those imported, so that you could not reckon on, perhaps, more than about half of the £700,000; that would mean about £350,000 locally produced.

Q.—You think that the price of the books produced in Australia would be very much higher—that it would limit its circulation?—Yes. So that you can reckon on the additional employment of about 550 hands, and that is an extravagant estimate even then. That is the obvious benefit—550 new hands—but, against that, you have to remember this: The total amount of imports would not be reduced by the total amount of the new production, because you may still have to import the raw material, and the machinery. Secondly, the additional costs of the necessary books imported to be set against the employment of the new hands; and, thirdly, the additional cost involved in the loss of efficiency consequent upon the discouragement given to learning and education. Those costs cannot be estimated.

Q.—There is another point, that amongst the books that would still be imported, undoubtedly there would be a huge list of exemptions from duty; they would be in large numbers, and you have not taken them into account?—I have not.

Q.—You are not attempting to assess?—No; in fact, it is impossible to assess.

Q.—Unfortunately you start with an absolute impossibility; that is, to get a parallel between the Australian production and the imports?—Yes. That is all I have to say.

(Witness withdrew.)

(The Board adjourned until 2.15 p.m.)

Upon resuming at 2.15 p.m.

Present.—Mr. H. E. Guy (Chairman), Mr. S. Berchdolt, Mr. W. S. Kelly.

By the Chairman.—The Board will proceed with the adjourned inquiry with regard to books. I think we were dealing with books.

GEORGE CAMERON KINGSCOTT.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As President of the Association of British Book Publishers' Representatives of Australia and New Zealand, The Rialto, 497 Collins street, Melbourne. I have prepared a statement, which reads as follows:—

As President of the Association of British Book Publishers' Representatives of Australia and New Zealand, representing 14 members, carrying the representation of about 120 British publishing houses, I have been asked to appear before the Board and give opposition to the application to alter Item 339 of the existing tariff.

A statement having already been made before the Board in Sydney by Mr. H. B. Newman, a member of our Association, I will confine myself to certain points suggested by the statements of the Sydney applicants for the duty.

The fact that the case as originally presented in Adelaide was revised for the Sydney hearing indicates that the applicants realised the weaknesses of their original application, and, although the claim was made that the exemptions noted in the revised claim meet the bona fide objections of the representatives of overseas publishers, I am here to state that these exemptions are not sufficient, and to suggest that the voice of public opinion is probably more pronounced against these proposals than that of the Association I represent.

Figures were given in the original application regarding imports of paper, printing, stationery and books, periodicals, etc., made during 1927-28, viz., £8,000,000, of which, it was estimated, £3,000,000 was for commercial printing and £1,300,000 for books and periodicals. I wish to submit that the only item with which we are concerned is the last one, and that, for the purposes of this inquiry, any figures relating to advertising matter and commercial printing should be disregarded, because provision for such imports is already made under Items 338 and 340 of the tariff. We must respectfully protest against figures being brought from other items in the tariff to support what the applicants evidently feel to be a weak case.

Assuming books and periodicals imported in 1927-28 to be £1,300,000, as stated, the estimated number of employees required to produce a similar value locally, based on the number of employees and the Australian output given in the applicants' statement, would be about 2120; but as a lesser staff is normally engaged in book production than that required for general commercial printing, this estimate could be reduced to probably 1500.

In support of that I would like to submit this copy (produced), which is a sample of a book produced on a machine attended by six operatives. Complete copies are produced at the rate of 3000 an hour, so that the daily output, on an eight-hour day, represents 24,000 copies of that book. My statement continues:—

And as the number of books which it might be possible to produce locally were a duty imposed would be but a small percentage of those now imported (5 per cent. has been mentioned, I think), it is doubtful whether more than 200 additional employees would be required in the printing and allied industries. Against this gain of 200 must be set the loss of employment which would undoubtedly result in the book trade generally. A firm similarly placed to my own would be faced with the problem of closing down its local warehouse, and the consequent dispersal of the staff.

Beyond a certain general statement, giving the condition of the printing industry in Australia at the end of 1928, no indication has been given as to what steps are likely to be taken to extend the publishing of books in Australia. A question put to the applicant in Sydney on this point was left unanswered.

In my opinion the mass production which is a feature of the publishing of England and America is absolutely impossible in Australia, and I think we are rendering a service to the applicants for the duty by putting up solid opposition to their proposals, because a few seasons' experience in publishing, especially in a restricted market, would undoubtedly make them sadder and poorer men, and probably wiser men.

In support of that point I might say that we representatives have, perhaps, a case that supports them in so far that one of our clients recently has made an arrangement with his creditors, which shows us quite clearly that he is engaged in local production, the principal creditor being the local printers for items which have been produced. That point crops up again, perhaps, in connection with another point that I make later. My statement continues:—

One surprise that awaits them is the exceedingly small number of books it will be possible to publish locally, and to support this point I submit a list covering books on which I have recently paid royalties for a year's sales to 28th February last.

Q.—What is the purpose for which they are submitted?—In support of the claim that, being exceedingly small numbers, they would be unable to print quite a number of items. That list gives you complete details of a year's sales of those books on which royalties are payable to the authors.

Q.—This is just to point out the smallness of the demand?—Yes, the smallness of the demand in Australia for those particular items. (Confidential list submitted.) My statement continues:—

Taking the case of the class of books known as juveniles, in order that these may be retailing at from 1/6 to 2/, editions of 10,000 are needed. The Oxford University Press have just issued six new titles, and printed 10,000 copies of each for a world market.

When a deputation to the Minister of Customs in March, 1925, urged the placing of a duty on books, the Minister asked the applicants:—

Could they get a publishing house that would be willing to run the risk of standing up to the market for Australia?

That question is just as pertinent to-day as it was four years ago, because a duty will certainly not provide what is now lacking, viz., circulation, or demand sufficient to make publishing successful as a commercial venture.

Comparatively speaking, books are cheaper now than during the war, despite the statement frequently heard that the prices of books have advanced beyond the prices of other commodities. Publishers are now working on a less percentage of profit than in pre-war days.

By Mr. Kelly.—You have used those words rather clumsily for a representative of English booksellers, have you not? "Comparatively speaking"; you mean comparatively speaking with other articles?—Exactly; that is the point. I conclude the sentence by saying they have advanced beyond the prices of other commodities.

Q.—Yes, but you certainly do not mean to suggest that they are not a good deal dearer than they were in 1914?—Exactly; I am not dealing with that point at all. It is the comparison with other commodities. They have advanced in prices.

Q.—That first sentence is not really what you mean?—I mean that, having regard to the conditions under which the trade is operating, the advance is not so marked in the case of books as in other commodities. That is the point. My statement continues:—

In his book, "The Truth About Publishing," Mr. Stanley Unwin states:—

"The net amount received to-day by the publisher often does not greatly exceed the net amount received in 1914, whereas the production costs are more than double what they were then."

It is significant that of the four parties necessary to the placing of a book on the market—viz., the author, the publisher, the printer and the bookseller—the applicant for the duty is the one having the least risk in the undertaking; whereas the author uses his brain in the hope that his MS. will be accepted, and the publisher and the bookseller risk their capital, the printer usually gets payment of his bill whether a book is successful or not.

It is all the more significant that the acknowledged chief of Australian publishers, Mr. George Robertson, is definitely against the proposal, and has already given evidence against it, and that, in this connection, he has associated with him all who are now engaged in book publishing in Australia.

It is also significant that, both through their Federal and State Councils, the Associated Master Printers have opposed the proposal.

In their statement the applicants admit that certain educational items are being manufactured here and sold cheaper than when imported. If that is so, why ask for a duty? The educational sales already established are necessarily governed by the number of scholars, and therefore a duty would not assist.

The statement submitted to the Board by J. H. Catts included the following:—

"It is stated on good authority that the representatives of Hall and Stevens, London, obtained orders last year in Australia for 140,000 copies of the English books which these Australian productions were designed to challenge for the Australian market."

It would be interesting to learn who the good authority is who is quoted in support of such absurd figures. Hall and Stevens' Geometry is a book used in its complete form up to the Leaving Certificate of Matriculation standard, and the earlier parts up to the Intermediate Examination.

The number of pupils studying elementary geometry throughout Australia probably does not exceed 60,000, so the figures given allow nearly three copies of the book for each pupil, without taking into account the large quantities of other standard books on the subject which are sold in Australia, such as Godfrey and Siddons, Ling and McLachlan, and secondhand copies of Hall and Stevens.

Exact figures are not available, but I am authorised to state it is certain that the sales of Hall and Stevens' Geometry did not amount to more than 10,000 copies for the whole of Australia last year.

Remainders were mentioned as being bought so cheaply as to badly undercut the ordinary trade. If such could be proved to the satisfaction of the publishers, would it not naturally follow that remainders would soon disappear, for I take it publishers would scrap their bad stocks, instead of giving the remainder agent an opportunity of securing them and disturbing their usual markets? Comparatively speaking, Australia sees very few of the publishers' remainders.

And in regard to secondhand and old publications, although I hold no brief for either the antiquarian or secondhand bookseller, as represented by the two catalogues I submit (catalogues submitted, Holland Bros., Birmingham, and McLeish and Sons, London), I do suggest that some consideration should be given to the interests of the book collector. The argument on the grounds of health against secondhand books, if valid, is in substance equally a reason for closing all our public libraries and all secondhand bookshops.

The encouragement of Australian authors will not be helped one iota by a duty. Naturally, I would prefer, were I an Australian author, to have my work published here, but, unfortunately, sentiment is not so substantial as a loaf of bread, and hence Australian authors must publish where there is a reasonable chance of their securing the very necessary bread. A duty will not create the circulation they need, but, on the other hand,

it may very well help to destroy in part the circulation their books may already enjoy.

I wish also to attack the applicants' suggestion for the composition of the Industry Board necessary if their proposal is adopted. It is contrary to a Britisher's view of justice to have to submit a case to a packed jury. The functions of the Board will be judicial, and its formation will not be the easiest of the tasks this problem will provide. The members will need to be carefully chosen, and must be men having a very wide knowledge of literature in its widest sense, and, incidentally, some knowledge of publishing.

In regard to the clause of the application dealing with reprints of books first printed in Australia, in actual practice such a thing will probably hardly ever arise, but I do foresee a difficulty in the event of an Australian publisher disposing of his copyrights to a purchaser overseas. It would be interesting to learn what provision the applicants would make to deal with such a case.

The preparation of a list such as that undertaken by Mr. Green, in conjunction with Mr. Ifould, is a matter of extreme difficulty. There are so many factors to be taken into consideration. Books cannot be classed as ordinary merchandise, and the imposition of a duty will not operate, as in the case of merchandise. For example, in the letter quoted from Mr. Ure Smith, who evidently seems to treat books as merchandise, the claim is made that there would be better opportunities for writers, artists and blockmakers. If all that a duty achieves is to make it imperative for the reprinting here of certain books, these sections are not likely to be any better placed, because a publisher will certainly not incur capital expenditure on sketches and blocks for illustrations again.

A list such as that contemplated will be of no serviceable use to the Board unless the compilers have access to the sales of individual titles, and take into full consideration not only the new titles published annually in England and America, but also the live titles covered by the publishers' catalogues contained in the reference catalogue of the book trade. That (indicating), I might say, is the reference catalogue referred to, of which these are some extracts. They are listed on the supplementary list. My statement continues:—

Catalogues as per list attached are submitted for the Board's inspection:—

LIST OF CATALOGUES SUBMITTED BY THE BRITISH BOOK PUBLISHERS' REPRESENTATIVES' ASSOCIATION.

Oxford University Press—General Catalogue, 1928.
" Medical Publications, 1929.
" Books on Science and Technology, 1929.
" Catalogue of Books on Music.
Mowbray's Book Catalogue, May, 1928.
Student Christian Movement Press, Sept., 1929.
Chapman and Hall—June, 1929, Technical and Scientific Books.
Chapman and Hall—Complete List, 1929.
Blackie's Complete Catalogue, 1930.
Blackie's New List of Books, 1929-30.
G. Duckworth and Co., New Books, October, 1929.
G. Duckworth and Co., Complete Catalogue, 1928.
Methuen's Illustrated List, First Half of 1930.
Methuen's Catalogue of University Books.
Methuen's Complete Catalogue, 1926.
G. P. Putnam's Sons, 1926 List.
Oliphants Ltd., 1928 list.
Williams and Norgate, Jan., 1930, complete list.
Eveleigh, Nash and Grayson, New Books, 1929-30.
Wells, Gardner, Darton and Co. Ltd., List of Plays.
Christophers, Educational Catalogue.

SECONDHAND BOOKSELLERS' CATALOGUES.

Holland Bros., No. 347.
McLeish and Sons, No. 51.

MELBOURNE—George Cameron Kingscott

Although the book market to-day is very much bigger than persons who live outside the bookselling world are likely to think, still, relatively, it is small, and publishers are desirous of enlarging it. They are naturally anxious to co-operate with authors, who can, by their writings, lay the great democracy that we all serve under obligations to them for a new impulse. And so we ask that no stumbling block shall be put in the way of the Australian publisher, or those publishers who are assisting Australia to build up her literature.

We ask that the industry shall be left free and untrammelled in all its sections, realising that, as our literature reaches a higher plane, so will the community benefit in a marked degree, and literature cannot develop as it should in this young country if the proposed handicap is put upon it.

By the Chairman.—In regard to the loss of employment that you refer to, about 200 employees, would they not be used up if the books were being published in Australia? Those employees would still be engaged, would they not? —I cannot see how they would be engaged in the distributing side of publishing.

Q.—These 200 are your employees here in Australia? —No, I do not make that allusion.

Q.—I understood it was that way?—No, I am simply alluding to the 200 additional employees that would be required providing the duty acted in the way the applicants think it would. I reduced the number of probable employees additional in the trade to 200, and not 11,000. They make the claim that there would be work for an additional 11,000 employees. By a process of calculation, on the figures they have given, I estimate the number would be reduced to 200. The actual reduction of my own staff is comparatively small. With a staff of seven, only five of those probably would be placed out of employment, because, naturally, we would not stock here the stocks we are now carrying if the duty went on. They would simply be worked on an indent basis; there would be no encouragement to establish a stock here under those conditions.

Q.—What is the position in regard to the distribution of your books. How is that arranged? You are not stocking here?—We are stocking here.

Q.—You are stocking here?—Yes.

Q.—And can they have indent orders besides?—They can have indent orders as well.

Q.—In connection with those books that you are stocking here, are you representing the whole of the British houses?—I am speaking on behalf of the members of our Association, who represent about 120 British publishing houses. Individually, I represent Sir Isaac Pitman and Sons as a publishing firm.

Q.—So you are not the sole representative for the British houses?—No. They number 14 members, some of whom are present in the room to-day.

Q.—In regard to those indent orders, have the small people the opportunity of placing orders on indent?—Exactly the same as the large buyers.

Q.—You have your limits as regards the quantities they order?—No.

Q.—Well, the man ordering a dozen would get the same discount as a man ordering 200?—Exactly; just the same.

By Mr. Kelly.—Mr. Stanley Unwin mentions that there is a tendency——?—I am speaking personally for Sir Isaac Pitman and Sons; I am not speaking for other publishing houses.

Q.—He mentioned there—and, no doubt, you can enlighten us on this—that there is a tendency for publishers to give monopolies to distributing agents in Australia?—There is such a thing, known as market books, but questions in that regard can very well be answered by a witness representing one of the distributing firms. I do not personally handle that class of book.

By the Chairman.—You are not handling these magazines at all?—No.

Q.—There will be witnesses later in regard to that position?—Yes.

By Mr. Berchdolt.—These (indicating) are really the books you handle?—That is a section on which I pay royalties only.

By Mr. Kelly.—In reference to your criticism of Mr. Catts' statement concerning those 140,000 copies, you bring it down to 10,000 of Hall and Stevens' Geometry?—That is quite right.

Q.—Is there any other Hall and Stevens?—No; that actual statement is supplied by the publishers' representative concerned, who, naturally, has access to the figures.

Q.—You assert there could not be any other Hall and Stevens' book other than the geometry, which you limit at most to 10,000 books?—That is so.

Q.—In reference to the lists you have handed in, these could not be duplicated by representatives of other houses?—Those are all our copyrights.

Q.—So that this would be the extent of the market in Australia?—For those books, yes.

Q.—It would not be duplicated by any other?—No.

By the Chairman.—What is the difficulty in regard to the Industry Board? Don't you think those men would be available in Australia?—I do not suggest that, but I do suggest that the composition of the men in the printing industry only is not a desirable board to deal with a question of this nature.

Q.—I doubt whether it was intended they should be men in the printing industry only?—I took it that way from the evidence. It may be a misunderstanding.

By Mr. Kelly.—You qualify it now?—Quite.

(Witness withdrew.)

CHARLES HAROLD PETERS.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As President of the Victorian Branch of the Australian Booksellers' Association. This report was adopted at a meeting of the executive yesterday. I am also appearing as a practical bookseller, the manager of Robertson and Mullens Ltd., a large wholesale and retail bookselling business, with a list of sixty-one publications, and with distributing depots throughout the Commonwealth.

Q.—What is the address of the Booksellers' Association? —8 Bourke street, care of the Secretary.

Q.—How many members would there be in the Association?—We have 40 members.

Q.—Would that be representative of most of the booksellers?—It represents city, provincial, country and suburban booksellers.

Q.—Would they be newsagents also? They would be classed as booksellers, would they not?—Yes, we have newsagents as well.

Q.—Forty would be a very small proportion?—Except that the newsagents are represented by their organisation.

Q.—But you have newsagents also?—We have newsagents also, but we also have the body in our membership.

Q.—Forty would be a very small percentage of the whole, would it not?—No, it would not when you take it into account that the newsagents, as such, come in as a body. Forty is, perhaps, 25 per cent. of the total number.

Q.—How many of those forty booksellers would not be newsagents?—I should say 35. That would be the purely booksellers, and then, of course, the purely newsagents come in just as a class. I have prepared a statement, which reads as follows:—

> The booksellers whom I represent are appearing, not as importers, nor as publishers, either local or abroad, but as the distributors of books wherever produced under the present system, and who would be called upon to distribute under any altered conditions. I therefore submit that their evidence is valuable, because expert; they are certainly interested, for, as I will later show, their goodwill and continuity are concerned. It is not my plan to traverse ground already covered, but I feel that I should briefly affirm points already made, and endeavour to supply new facts where possible, and some new points. Briefly, these are my points. Later, I shall elaborate them.
>
> We hold that:—
>
> (a) There is no publishing industry requiring or asking for protection.
> (b) Sheltering by protective duties will not create a publishing industry.
> (c) Such a tariff would not be revenue-producing, for the total money value of imported books is comparatively small, and with expensive details and difficulties in collection it would result in little, if any, net revenue.
> (d) Employment in the trade of distributing books would decrease.
>
> I would like to add that the dislocation in this case, and the decrease in business, would be immediate. I want to stress that point very much. My statement continues:—
>
> (e) The book distributing business would receive serious and widespread injury.
> (f) Such a Customs duty would effect grave injury to the community.
> (g) Australian authors would receive an additional handicap, but no advantage.
>
> Now, with regard to point (a)—"There is no publishing industry requiring or asking for protection"—
>
> Of the titles circulated in Australia, it is estimated that about five per cent. are produced in the Commonwealth, the result of a natural development, where local tendencies have made a sufficient circulation possible. Such tendencies indicate descriptive local books, guide books, sporting books by local champions, local phases of trade and the technical professions, and educational textbooks written to suit some local curriculum. This local tendency of the contents also confines the circulation within Australia.
>
> Also books concerning a visiting notability or a local topical or important event.
>
> Such natural development will continue healthily without the application of forcing-house measures, and it is noticed that the Master Printers of Australia (with the inconsiderable exception of the applicants for duty) are averse to the imposition of a duty. They, from a practical knowledge of the field, recognise the limitations, and are content with the natural development.
>
> None of those who produce books locally appears in favour of the application—even Mr. George Robertson, of Angus and Robertson, Sydney, New South Wales, who has issued more books locally than any other, is opposed to any duty on books; he, like the printers, is satisfied to let the natural development proceed. It has produced already 5 per cent. of the titles; as population grows, so will development proceed.
>
> An analysis of the purchases of one typical bookshop (I have taken our own bookshop in this case), Robertson and Mullens Ltd., Melbourne, shows that of the total book and periodical purchases 28.8 per cent. are local. A generous estimated allowance for the transfer of imported stock from other traders would be, say, 8 per cent., leaving local purchases at 20 per cent. of the total—all this accomplished without any protective duty, and due to natural development.

By Mr. Kelly.—That means that the local product has, on the average, four times as big a circulation as the average imported product?—No, that is wrong.

Q.—You say that the local product is limited to 5 per cent.?—Titles I have given you there; but I am giving you now figures which are actually of local purchases compared with imported lines.

Q.—Assuming 5 per cent. is right, and 20 per cent. of your circulation is local, it means that your local circulation is four times greater than the proportion of titles, does it not?—I think that is rather labouring it. I see the way you are putting it, and I am just wondering if we could deduce such facts from that.

Q.—I mean it must be deducted from that?—I see your point—that we have got 5 per cent. of the total titles and 20 per cent. of the total business purchases, and therefore the circulation must be four times as many.

Q.—The local must be four times greater than the average of the imports?—It would look that way, but I do not think it is a reliable deduction. You will excuse my saying so, but it looks that way to me. It would be rather labouring it to take it out that way. My statement continues:—

> With regard to point (b)—"Sheltering by protective duties will not create a publishing industry"—
>
> Book distribution in Australia consists in handling small quantities of many books, and it is the exception where huge sales of one title are obtained; 10,347 different new titles which were published in Britain during 1929 are substantially represented in Australian bookshops, some common to most shops, other different titles stocked only by specialists. One typical general bookshop in Melbourne—and here I quote our own figures, as being available to me for investigation —Robertson and Mullens Ltd., imported 3527 different titles, and of these much less than 2 per cent. (actually 1.58 per cent.) were in quantities exceeding 75 copies. I have chosen to express these figures as 75 copies, for I estimate (and with some supporting evidence from publishers' representatives) that the quoted shop accounts for about 10 per cent. of the total imports; therefore, 98 per cent. would have total circulations of from six copies to 750 copies in all Australia, and even the few at the higher figure of 750 copies could never justify setting up an edition for Australia.
>
> This is confirmed by an Australian novelist, popular and read throughout the English-speaking world, who tells that in the usual edition of 2000 copies British sales were worth twice as much as Colonial sales (i.e., Australia, South Africa, New Zealand and India). So you see 666 sales (less India, South Africa and New Zealand, etc.) are insufficient to justify local production. This author does not wish to have his name published, but I can write it if the Board desires.
>
> (Supplies name confidentially.)
>
> The foregoing facts show that Australia takes only a small proportion of total sales, but reaps a price benefit by the purchases elsewhere, which brings down the average cost, and a consequent retail price. If, in the face of such facts, a duty were imposed, the price of the few books forced into uneconomic production locally would become prohibitive.
>
> A book finds its way into circulation only when the combined readers of Britain and the Empire provide sufficient buyers to render possible a minimum edition to cover expenses and a little over, the publisher depending on the gamble of a best-seller appearing unexpectedly from amongst them.
>
> If circulations could be made possible, if the copyright problem could be surmounted, if the rights of authors and English publishers could be arranged without injustice—all very difficult—then how would the book be published? Not by a printer, for the printer will do the work only if some other pays, so an Australian publisher must be found with unlimited capital and the heart of a lion, and quite inexperienced and injudicious, for in Britain, with all the world as their market, new publishing businesses have heavy mortality; the successful publishers of Britain to-day are, with trifling exceptions, operating businesses built up over centuries, and the catalogues of titles, too, built up over that time, repeating to-day from plates and stereos

MELBOURNE—Charles Harold Peters

which have already had use, and so diminish average cost.

Here I would also direct attention to that pile of catalogues (indicating), which is known as the Booksellers' "Bible."

I do not think such a publisher will be found, or, if someone sufficiently unwise does appear, the future of his business may be surely predicted as the bankruptcy court.

Q.—You mean to say such a publisher would not have the heart of a lion?—That would be the only condition under which a business man would have the pluck, if he did not know, for I may say here that concerned in the business of book distribution in Australia are some quite live men, and if there were anything in it they would be into it, but they know that there is not. My statement continues:—

I cannot leave this point without noting that figures supplied by the applicants are not correct. Here are the comparative figures from the 1929 edition of the Commonwealth Year-Book:—

	Applicants' Figures referring to Printing Industry.	Year-Book Figures, 1928.
Value of buildings	£9,310,538	£7,413,584
Number of factories . .	1,556	1,332
Machinery and plant .	£8,187,155	£6,175,753
Number of employees ..	34,008	27,049
Wages	£7,136,666	£5,977,979
Total output	£20,810,370	£16,299,610

The applicants have evidently quoted figures where printing is classed with books, paper, printing and engraving industries.

The claimant also said that imported matter which could and should be manufactured in Australia would amount to £6,000,000. I challenge that figure, but my point at the moment is not to do that, but to point out that he later goes on and claims employment for 11,000 people. Well, calculatnig on this figure, and a percentage of 25 per cent. for wages, which is a fair thing, according to statistics that have been produced quite lately on this subject, that would make available £30,000 per annum for wages, and, taking that out at £5 per week average wage, which I think is fair, there is employment only for 6000. If you gave them only an average wage of £3/10/ per week, the employment would only be for 8571.

By the Chairman.—Which is the fairer figure—the £5 or the £3/10/?—£5, I think; but even if you drop it down to a rate which is the minimum, you will see that the applicants' figures are still unreliable, and that is the point I wanted to make. My statement continues:—

Their figures relating to the expected advantages of the duty are also seemingly incorrect, for, even to the most optimistic view, they are impossible, and I am sure cannot be supported by even a plausible detailed estimate.

And now for point (c):—Such a tariff would not be revenue-producing, for the total money value of imported books is comparatively small, and, with expensive details and difficulties in collection, it would result in little, if any, net revenue.

I have tried to prove that the proposed duty would not justify printing here, because of insufficient circulation, so books would continue to arrive from Britain, but in quantities woefully depleted, because of the extra cost. The bookseller's best customer is rarely the prosperous citizen, though we claim he is the best class of citizen. Increased cost of books would reduce his quantity of purchases, although he might continue to spend to the limit of his ability. The casual buyer would probably be kept away by higher prices, schools could afford fewer prizes, the libraries and students could afford fewer textbooks, and so imports would be materially reduced from the present figure, which was only £1,294,466 during 1928. This includes books, music and periodicals.

This figure is reliable, having been ascertained by reference to the Commonwealth Year-Book. An estimate is that books would represent about 40 per cent.—£517,785.

In support of that figure, of the total imports, I have here a letter from the Commonwealth Statistician. Seeing that something quite different had been quoted, and quoted variously, I thought it wise to ascertain the information officially. The letter, which I produce, is addressed to one of my staff, Mr. Campbell. My statement continues:—

A duty such as proposed would reduce imports by any proportion from one-third to one-half. Deduct the lower percentage, thirtythree and one-third, and we have imports of £345,190.

Q.—You heard what Professor Copland said this morning about one-half?—Yes; but, in my anxiety that in no case to overstate the case, I suggest we take one-third, rather than one-half. My statement continues:—

This figure of £345,190 includes educational books, Bibles, scientific and technical and trade books, theological books and supplies for public libraries, which even the proposers of this duty deem it wise to exclude from their application. In value it is estimated that the above classification will be 50 per cent. of the total, leaving only £172,595 subject to duty.

From the estimated figure of £172,595 let us deduct 40 per cent. of the ascertained figure of exports of books, periodicals and music to New Zealand—i.e., £62,005—giving a result of £24,802. These exports would cease, and the total then would be estimated as only £147,793, comparatively speaking a sum of small importance to Customs even if the duty imposed were at the unusually high rates proposed.

By Mr. Kelly.—You mean to imply they are imported here before they are exported to New Zealand?—Yes, they come to New Zealand through Australia.

And a heavy proportion of this would be "border-line" subjects, open to discussion and appeal if duty should be imposed. In the index volume of that catalogue I produce there are 300,000 different titles. Therefore, decisions, cases, difficult and intimate classifications of the thousands of odd titles imported in petty quantities, would come; the difficulties and expenses of collecting such a duty, and the cost, might be in excess of any prospect of revenue therefrom. Under conditions similar to 1928 the Customs Department could be called upon for decisions upon 10,347 new titles, besides many standard and current books previously published, totalling decisions over titles amounting to a quarter of a million, including a heavy proportion subject to testing and to challenge, and calling for organisations at every point of entry into Australia.

By the Chairman.—Do you reckon it would be necessary to challenge 10,347? Many of those would come in without any challenge, do you not think?—I say decisions over titles amounting to a quarter of a million. There are many books that cannot be judged on their title. Many books would have to be read before they could be classified. Many humorous stories are told of people who come into bookshops to buy books on their title, expecting to get something very bright, and, instead, get something for their souls. It would be a very intensive study. We do find instances of juniors putting books in the wrong shelves at our place of business, and I think the proportion would be very much heavier than the ten thousand I have spoken of.

To make a comparison of the financial unimportance of the book trade, I will quote Sir Ernest Benn, publisher and economist, who compared Britain's Imperial book trade of only six millions with beer, wine and spirits of £315,000,000; but, in quoting this financial insignificance, we do not yield our claim to the importance of books in nation-building and in individual development.

The higher rates proposed upon both intermediate and foreign classification affect books only occasionally imported—the foreign textbook for scientific, technical and literary research workers, the records of valuable scientific collections. Curiously, this small class, so important to our national advancement, would be the most heavily dutiable, and the duty the most difficult and expensive to collect, while here, again, the revenue would be insignificant.

With regard to point (b) that employment would decrease:—

This decrease of employment, and the dislocation of the book trade, would be immediate on the imposition of any duty.

The diminution of imports, and the impossibility of replacing such with local production, would cause grave unemployment in the trade of distributing books; small shops would be closed, and the larger shops, with diminished staffs, would be removed into back streets and inconspicuous premises; a blow to the community, for the better the method the greater the circulation of books and the bigger the advancement of the nation.

By comparing percentages secured from four city bookshops and one provincial shop, I have ascertained that each £100 of turnover provides £15/12/ of wages, because of the detailed nature of the work.

Considerable reduction in the book trade will not be counterbalanced by any considerable increase in the printing trade, and, therefore, wage-earners will be sufferers, and would suffer immediately on the imposition of such duty.

Australian bookshops are largely public institutions, and perform unpaid community services far in excess of traders in more prosaic lines. From the reduction of turnover, the last proportion, which carries the profit, would disappear, and so would the shop, for the trade is one of the greatest of detail and difficulty, and of small profit, witnessed by the published balance-sheets of any bookseller. Those who have profited have done so by the appreciation of freeholds, and to-day occupy premises acquired in the past, which are put to use as bookshops when they might more profitably be used otherwise.

It is trade in popular lines that enables a bookseller to carry in stock worthy but slow-selling titles of small circulation, but real importance. Increase the cost of these popular lines by levying a duty, and you automatically reduce the general efficiency of the bookshop. I can take you into one bookshop here and indicate £2000 to £3000 of stock which sells at a less rate than one copy per two years, but stocked as part of a real obligation to the public. That is made possible, and rarely profitable, by sales of popular sellers, fiction and hand-books.

Since 1918 three prominent bookshops have closed their doors—the world-famous Cole's Book Arcade, Hutchinson son and Company (as a consequence of an advance of rent when an old lease terminated), and Melville and Mullen, for the same reason, amalgamated with Robertson's, who possessed a freehold, to form Robertson and Mullens Limited. Also three smaller but good bookshops—Harvey's, Kiek, and Barker—closed down.

Close bookshops, and you close the eyes of the nation to all advancement and experience gained elsewhere.

May I point out, too, the difficulty which (if other difficulties were surmounted) would face the bookseller in the requirements of extra capital to finance stocks? I quote one example of a bookshop with £90,000 of capital using about £60,000 of capital for its books stocked, and requiring eventually £27,000 extra to finance the duty (a cash payment), a load of £1890 extra interest.

Such extra capital would be required at the rate of £8500 per annum, and in about three years the whole stock would have the duty added. I have worked out the foregoing upon actual purchases and actual speed rates of turnover, and could, if desired, send the workings to the Board as a confidential document. On the above £8500 per annum for duty, interest alone, at 7 per cent., would be £595 per annum.

By Mr. Kelly.—That would not stand if your other assumption is right?—I take your point. If the buying was cut down, you would have no need for the extra capital—not to the same extent—but even with the reduced trade you would want more.

Q.—Not if you cut one-third down. One-third down on turnover would have about the same effect as one-third on the duty?—Yes, that is it, of course; but that one-third down on turnover would wreck your bookshop.

Q.—You could not work both arguments. One is rather contradictory to the other. It seems to me the other establishes the case. If you are going to lose your turnover you would lose your bookshop; you would not have it both ways?—I take your point, and I think I had better leave that out as a reasoned argument and ask you just to note the matter of extra capital would probably become necessary. The extra duty is a cash payment, and not able to be financed as purchases are, and it would necessitate a load of interest; but how this outlay could be recouped is difficult to say, and it is admitted that the work or raising capital to finance the duty would be very difficult at any time, and at present impossible.

By Mr. Berchdolt.—Do you take into consideration exemptions?—No, that is the point I am caught on. Still, in a lesser degree, the point is still made.

Another feature which has so far been overlooked is that of the export of British books through Australia to New Zealand. If the proposed duty were imposed, this export trade would cease and the New Zealand booksellers obtain all their supplies direct from the publishers in Great Britain; thus export trade, which should be encouraged, would be lost to Australian wholesalers and to local stock-carrying branches of British publishers, which pay rates, wages, and represent a Britsh investment in Australia.

In the New Zealand Register of Shipping and Imports, Part 1, the value of books, papers and music imported from Australia during 1928 is shown as £62,005.

With regard to point (f), such a Customs duty would effect grave injury upon the community.

Who would suffer? The bookseller, his assistants and shareholders, who provide the capital for the book trade, also the libraries and the library reader. Public libraries are provided or subsidised by the State. Would it be right for the Commonwealth to attack such important utilities by imposing a duty which would cause their revenue, already insufficient, to buy fewer books—about 50 per cent. less than at present?

Also the artisan, the technical and scientific worker, the cleric and religious worker, the student, the devout, who use prayer-books and Bibles, the University teacher, the inventor; these represent the best of our citizens, who should be encouraged, and not penalised.

Also the man who reads for amusement, for general information, or special information; the man who perforce adopts reading as the least expensive of amusements—this would include the countless subscribers to small circulating libraries everywhere, with hardships to librarians.

The Workers' Educational Association, the University Extension Board, and similar organisations, testify to the desire of the average wage-earner to increase his knowledge. These would suffer, for all instruction is based upon books and spread over hundreds of titles. The libraries, too, to which they refer, would be hampered by smaller stocks.

The modest man's collection would suffer, and his standard and classical library would be reduced in scope. British publishers, with a world market, provide some wonderful cheap reprints of worthy books, which the U.S.A. with protection and 120,000,000 of population can not do, for the U.S.A. has no cheap editions, such as "Everyman's" and Collins' Classics, the Benn Library, and the World's Classics. All these would suffer, without any commensurate advantage to the printing industry or to

MELBOURNE—Charles Harold Peters

the Customs revenue. The reading of a community cannot be standardised; we must have the best and all that the world can offer.

There is an outside item which affects the position: there are some unworthy books which are held out of Australia by Customs censorship and prohibition. With a reduced competition from imported lines, an attempt would be made to produce them here, with, unfortunately, because of their base nature, a chance for sales. Such books are not handled by the regular booksellers, but lately we have had the ridiculous spectacle of a returned traveller stating in the newspapers that he possesses rights to reprint certain books, which he will do if guaranteed against censorship. We cannot build a nation on such base books, and under present conditions the Customs Department offers the first defence against them.

With regard to point (g)—Australian authors would receive an addition handicap, but no disadvantage.

The use of the Australian authors as a stalking-horse is wrong. A Customs duty would work an injury by limiting his sales through increased prices, without making local publication profitable.

It is not any part of the circulation that makes publication possible, but the whole circulation, and if the Australian circulation were deleted it might easily be the factor which would prevent publication, for it is always the last few hundred copies sold which carry the publisher's profit, or, if unsold, create a loss.

Finally, the tide of book publishing flows from its source in London to every cranny and corner of the British Empire, and even to the Americas. This tide is channelled by the permanent distributing organisation built up through the years. The U.S.A. has tried to stem this tide and failed, and, even with her 120 millions, still imports largely from Britain. During 1929 they imported 11,985,667 dollars' worth of dutiable and duty free books. To-day, Australia, with her seven millions, cannot support nor justify a publishing industry. Taxation of books by such a Customs duty would impoverish Australia mentally, would not assist Customs revenue, except to such a limited extent that it would cause heavy losses administratively, would not, other than in a slight degree, benefit printers, but would affect the bookselling trade adversely, and cause heavy and widespread unemployment amongst people who already have a hard fight in a business so full of detail and special complication that small profits only are available to the hardest endeavour.

Periodicals and Magazines.—I have not devoted special attention to this subject, for this matter has been ably handled in the Sydney evidence, and my experience along this line is merely a "special" experience; but, reading the Sydney evidence, I felt that I could supplement it with statistics which I have had gathered from the books of Robertson and Mullens Limited, who conduct a retail magazine subscription business.

There are handled 772 different periodicals imported from abroad, of which 548 are British and 224 foreign and U.S.A. The total of titles published in Australia shows up very well, as 136 different titles, of which 30 have a greater circulation than six copies and 106 have a less circulation.

These include trade, technical and class publications, but the total does show that here, again, natural development, unassisted, has been, and in future should be, sufficient for progress.

I have a further note here of a point that Sir Harrison Moore wished to make, but which he passed on to me. The point is that it is not the competition of the English periodicals, such as "The Nation," "The Spectator," the "Nineteenth Century," and so on, that prevents the publishing of similar publications here, but it is the paucity of interest. If they had ten times the circulation that they have in Australia it might be a proposition to start an Australian periodical, but I do not think the figure of ten times is enough. In my 25 years' experience in the trade I have seen different journals start out to give that sort of stuff, and fail, not because they had no protection, but because there were not enough people interested to carry it through. Again, it is just like books—you must have a circulation.

By the Chairman.—Is there matter there that would appeal to them?—The matter is in "The Spectator," "The Nation," and so on, which appeals to a limited number. Perhaps, when we get our population of Australia up to 40 millions, we will be able to run a periodical such as the English "Spectator," or "The Nation," or "The Athenaeum," but even those papers have seen their troubles lately. I think "The Athenaeum" has been absorbed in "The Nation," and that after 80 or 90 years, perhaps, of useful life.

Q.—You refer here to the cheap reprints by the British publishers. We have had a number of reprints here in Australia, and the price of these has been very much under the British prices. Can you tell us anything about those, as to why that should be so?—Well, I think that is a case of someone losing money. I remember reading in the Sydney evidence that Mr. Gray gave you examples of some that were done by Gordon and Gotch. I know at the time I took over the management of Robertson and Mullens there had been a publishing business in connection with the old business of Robertson, which was then defunct, and the hardest job of my life was to clear away their remainders. They could not have had more than about 2 per cent. successful ventures in all that they had done.

Q.—There have been quite a number that have been successful, have there not, of those reprints?—No, I do not think so. I do recollect an advertisement which was sent to me from Sydney—I am quoting now from memory—referring to 150,000 of the New South Wales Bookstall Company's remainders, which were jobbed and sold at about 2d. per copy.

By Mr. Berchdolt.—That was in the Sydney evidence also?—Yes. I do not recollect anything about a reprint which was successful.

By Mr. Kelly.—There was evidence in respect of such books as "Difficulties," by Seymour Hicks, for instance; that would not compare with this type of reprint, but they were cheaper than the original production?—"Difficulties," by Seymour Hicks, would come under the duty here, but Seymour Hicks was an actor-manager, and was spending a lot of money on publicity, and there seemed to be a lot of publicity for Hicks in that. There, again, that book has been quoted, but there is an English edition of that book selling at 5/. I do not want you to get the idea that there is no comparative value. I would like to have the book here to show you there is 5/ worth in that book.

Q.—That is the kind of evidence we would be glad to get, because the original statement was it was 10/6 in England and 4/6 here. That referred to the original edition, and you say subsequent editions have come down to 5/?—Yes, and it is a very nice book. I could send away and get one to show you.

By the Chairman.—There is another one, "Why I Am a Christian," by Frank Crane—can you say anything about that?—I do not know anything about that.

Q.—That book was quoted at 8/4 in America, and the Australian edition at 4/6?—That is an American book.

Q.—We got that book here at 4/6, and it was quoted in America at 8/6?—And that is in a country with a protective tariff. The whole subject of reprints opens up many difficulties. A reprint is a book which has proved itself of some general interest. The first buyers have got the book and paid the first buying price. Then there comes the cheap edition, after waiting, perhaps a couple of years. That is not special to the Australian market; that happens in Great Britain and everywhere else. The reprint comes out at a cheap price, because it cost less; the publisher frequently has his plates set, which helps; even if that is not the case, they cost less to reprint. The book is two years old, and its value is depreciated because of that. To-day the call for reading matter is not "how good," but "how new." People must have the latest.

Q.—You are making a special point of the British publishers and their cheap reprints. It does seem to us that there has been evidence of quite a number of reprints in Australia, and the prices of these reprints have been very much under the English prices?—I suppose you have not had copies of those reprints before you at any time. If you had, I should think they would be interesting. I have had occasion to wonder how they are done. I have spoken to people connected with the book trade interested in that sort of thing, and asked them if it was possible to do it. Certain books have taken my eye as possible sellers, and I have been investigating along those lines, with never a possibility of printing them. I cannot volunteer anything about what is behind the printing of those series to which you refer. It may be a rich man's hobby.

Q.—It may be of interest for you to have a look at some of those books?—I think if you could see the publishing accounts for them, that would probably answer your question.

Q.—In regard to the distribution of books, are they distributed by the booksellers to the newsagents?—There is a large wholesale business in Melbourne, which is carried on by four or five wholesale people, but most of the booksellers, the small and large concerns, are direct importers to a degree.

Q.—The newsagents, are they importing direct, or through their Association?—Many of them are importing direct.

Q.—Is there any arrangement in regard to fixing prices for the books and magazines?—I do not speak with any authority on magazines; my experience with them has been a special one.

Q.—What do you class as magazines—periodicals?—Yes.

Q.—In regard to these books, they are at a fixed price?—Yes.

Q.—They are not allowed to undersell those books?—No, but I might mention that it is a condition of sale under which they are purchased from Great Britain.

Q.—There is no cutting of price as regards books, except as remainders?—I wish I could say that; but that is the idea.

Q.—It is not carried out?—No.

Q.—You mentioned Cole's Book Arcade. Is Cole's not still in existence?—Not Cole's Book Arcade.

By Mr. Berchdolt.—I suppose other bookshops have opened?—I quote Barker as closing down.

Q.—You quote several as closing down?—Yes, Harvey and Kiek. They all have opened and closed within three years, I should say.

Q.—Have not new shops taken their place?—Since the war I think there has only been one bookshop of any considerable size opened in Melbourne. That is a very fine show by Spencer, in Bourke street.

By the Chairman.—Taking that £100 of turnover, and £15/12/ as representing the wages—is that a high percentage?—That is considered high.

Q.—You think that is a high cost of distribution?—Yes. You asked Mr. Boys to produce a list of books that could not be dutiable. If you would ask me I had that list ready. I have it here. They are contained in that catalogue. A question was asked about copyright. Copyright is usually taken by the publisher, but it is subject to the author's right—that is, his equity in the right. At times the copyright is held by the author, with an obligation to the publisher, so that the copyright cannot be said to be either the author's or the publisher's in its entirety; usually one holds the copyright, with an obligation to the other, which makes it a joint affair.

MELBOURNE—Daniel Wrixon Thorpe

By Mr. Kelly.—There would be exceptions to that?—Yes, there are exceptions, but they are not notable. A question was asked about an increase in the price of books since the war. Quoting from Stanley Unwin, the increase in the material in a book is from two to three times, and increase in the price is 66 per cent.

Q.—In reference to his book, you have probably read his criticism in reference to the method of distribution in Australia?—Yes. The question was raised with regard to imposing a duty on books first printed in Australia and then printed elsewhere. Really, it does not amount to very much in any case, but I think it would be an unwise provision in that it might very disadvantageously affect the rights of authors. Recently I was very taken with the production by an author here, at his own expense with the printer here, who gave the book a great deal of publicity. He came along to me when there were a few hundred left, and he said, "Will you take them over at 1/2?" and I said, "No, we will take them over at 1/9." We made the book a cheaper price and sold them very quickly. An English publisher printed an edition to be sold in Australia. The Australian edition already was proved to have been unsuccessful. At the same time, Australia taking a proportion of those reprints meant our Australian author had a little extra life for his book. Furthermore, the English edition led to an American edition, so that such an edition, while, as I say, commercially, it does not mean a very great deal, might easily hinder an Australian author from any rights in another country. There is another example; that is Kingsford Smith's book, which was printed locally and sold well. It was later printed in England, and not sold out here, because it had lost its novelty. That is natural development again.

Q.—In the meantime is it not true that the publisher here is safeguarded against the influx of the book reprinted in England by the copyright?—In the case of a book like that, in which the edition had been exhausted, I would say there would be no question of it.

Q.—There would be no requirement for protection if the first edition had become exhausted, but supposing it were not exhausted, he would have the right to restrict importation of other editions into this market?—It is a matter of both copyright law and equity.

Q.—He has got absolute protection so long as the book is made locally, by copyright law, without any duty?—Yes, I know of no example where any hardship has been worked in that way. I have discussed it with the professional members of my staff, and they are all of that opinion.

(Witness withdrew.)

DANIEL WRIXON THORPE.

Sworn and Examined.

By the Chairman.—What is the capacity in which you appear?—I am Editor and Proprietor of "All About Books" and "The Booksellers, Stationers and Fancy Goods Journal," and Honorary Secretary of the Australian Booksellers' Association and the Associated Booksellers of Australia and New Zealand. The address of the Association is 245 William street, Melbourne. I have prepared a statement, which is as follows:—

As my evidence could not be prepared until reports from other hearings of the Board had been received, and other evidence to be given at this hearing had been considered, it has been impossible to submit my statement to the whole Executive of our Association, but it has been read by three members of the executive resident in Melbourne, and has their approval.

I do not wish members of the Board to look upon my contribution to the evidence as a complete statement against the proposal for a duty on books. I have endeavoured to avoid the ground already covered by previous witnesses and confine myself to new evidence or the

amplification of evidence upon which there appeared to be some doubt.

I wish first to mention one matter which has apparently been overlooked both by those proposing a duty and those who have opposed it, in the omission of religious books from any of the classifications. I do not know whether the reason for this omission is because the proposers do not think religious books are worthy of mention or consideration, or whether it is left to the Customs officials to decide if they are to be classified as "works of fiction" or "books for the instruction of the blind."

I take it for granted, therefore, that no one suggests a duty be put on religious books. If there is any proposal to place a duty on these works, I would suggest that the Tariff Board list a special hearing to take evidence from the great number of witnesses, I am sure, who would wish to appear to oppose such a proposal.

We would like to remind the Board that the members of our Association are not opposed to manufacturing or publishing in Australia.

Some of the members of our Association have made great efforts to help publishing in Australia, but, being practical men, and having a knowledge of the whole trade, they recognise that it is an industry in which the gains of protection to our country would be minute and problematical, whilst the harm and disadvantages of a duty on books would be tremendous and certain.

The question has frequently been asked as to what effect the duty would have on the general price of books.

The United States of America has been quoted as the only comparison we can make.

To compare prices, I went through the January issue of "The Retail Bookseller of U.S.A.," and I find in that issue that there are 79 novels quoted with which I could compare prices. These were all sold in Great Britain at 7/6, but in U.S.A. 44 of the same novels were quoted at 10/5 each and 35 titles at 8/4 each.

In general literature I noted the following books:—

Comparison of English and American Prices.

	U.S.A.	England.
Everyman Library	3/4	2/
Henry VIII., by Hackett	12/6	12/6
Byron Maurois	21/	12/6
July, 1914	14/6	10/6
In Search of Scotland	12/6	7/6
The Christ of Every Road	6/3	5/
Gallipoli Memoirs	10/6	7/6
German Diplomatic Documents (four vols.)	105/	84/
The Tiger, George Clemenceau	14/6	10/6
Travellers' Library	4/2	3/6
Lincoln, by Ludwig	21/	21/
Captain Cook, Thiery	14/6	15/
Portrait of a Chinese Lady	21/	21/
All Our Yesterdays	10/6	8/6
Balzac, by Gubble	25/	21/
Good-bye to All That	12/6	10/6
Calvin Coolidge	12/6	10/6
New Worlds to Conquer, R. Halliburton	21/	16/
The Christopher Robin Story Book, Mlln	8/4	5/
Novels—44	10/5	7/6
„ 35	8/4	7/6

I might mention in that comparison I have left out nothing that was unfavourable. There were no books there which were cheaper in America than England, and I draw special attention to the fact that the "Everyman" Library, which is sold at 2/ in England, is priced at 3/4 in America. My statement continues:—

In every instance but one the price in U.S.A. was dearer, the average extra price being 25 per cent. above the English price.

In submitting his evidenec in favour of a duty on books Mr. J. H. Catts mentioned that, prior to the tariff protection on account books, diaries, exercise books, stationery, etc., it was strongly urged that these lines could not be economically produced in Australia, but that these goods are now being made here at favourable prices.

The two classes of goods, printed books and exercise books, etc., are in no way comparable, but of the items mentioned as "being made here at favourable prices," the nearest line to printed books would be account books, and manufacturing stationers have found it necessary to ask for an increase of duty up to 60 per cent. British, with higher rates for Intermediate and Foreign, in order to be able to compete with account books imported from Great Britain. Yet account books are comparatively easier to make here than novels or other printed books.

I am a strong protectionist, and have appeared before this Board in support of protective duties, but I think all protectionists should investigate each proposal and see whether the advantages gained are not altogether outweighed by the harm done. This would certainly be the case with a duty on books, and this has been conclusively demonstrated by the fact that the people who stand to gain most by the proposals, the Master Printers' Association and the publishers already established in Australia, are not appearing in support of the duty.

I might have added that none of the Printers' Unions have supported it, though the matter was put before them, I know, and they were asked to support it. By their absence here they evidently did not think it was wise to do so.

Q.—Mr. Catts was representing some of the employees, was he not?—Not the Employees' Unions. I think they have some representation on that committee, but I know that the actual Printers' Unions were asked to support the matter and officially. So far as I can trace, they have not done so.

I notice that one of the witnesses has mentioned the book by Mr. Stanley Unwin entitled "The Truth About Publishing." As I wish to use the figures quoted in this book, I would like to mention that it is the standard book on publishing, and, although it was originally printed as late as 1926, is already in its third edition in England, and a special edition has also been translated and published in Germany and in Spain, also a special edition has been produced in America. It has been received everywhere with authority, and none of its statements nor figures have been seriously questioned.

I mention that, because I read regularly all the trade papers in connection with these matters, and it has never been questioned.

I attach Form 2, a balance-sheet, which has been drawn up by Mr. Unwin, showing a typical profit and loss account of a moderately successful first novel of 95,000 words.

Typical Profit and Loss Account of a Moderately Successful First Novel of 95,000 Words.

Dr.

To Composition, including small type and make-up (352 pp.)		£72	0	0		
„ Machining 16½ reams (1500)		24	0	0		
„ Paper, Antique Wove, 30 x 40, 70 lb., for 1500 copies		18	0	0		
„ Author's Corrections, 10 p.c.		7	4	0		
Gross sheet cost, 1/7½					£121	4 0
„ Tricolour Blocks for jacket		9	10	0		
„ Artist's fee, for design		6	6	0		
„ Binding		45	0	0		
„ Binder's Blocks		2	0	0		
„ Jackets, including printing tricolour blocks		9	0	0		
Gross binding cost, 11½d.					71	16 0
„ 36 Copies wrappered, on proof paper, for Colonial buyers		1	16	0		
„ Postage on review copies		1	3	0		
„ Advertisements		55	0	0		
„ Author's royalty (if at 10 p.c.)		29	6	6		
„ Moulds (if taken)		16	0	0		
					103	5 6
„ Insurance		—	—	—		
„ Working expenses		—	—	—		
					£296	5 6

Cr.

By Sales—						
Circulating libraries, 230 at 4/9		£54	12	6		
Ordinary sales, including repeat orders from libraries, 220 at 5/		55	0	0		
Other ordinary sales on varying terms (210)		56	0	0		
Colonial Editions, 376 at 3/3		61	2	0		
					£226	14 6
Total sales	1036					
„ Review copies	100					
„ Stock	364					
	1500					
„ Deficit (as against which there is surplus stock valued as "remainders" at, say, £11/10/, and possibly a small share in American or other rights)					69	11 0
					£296	5 6

In the above account not one penny has been allowed for the publisher's working expenses, which almost invariably exceed 20 per cent. of his turnover.

There are many lessons which can be learned from this balance-sheet.

First of all, it proves conclusively that the evidence given of various witnesses of the small sale of individual books, even works of fiction, which are the largest sellers in Australia, is in no way exaggerated.

Note particularly:—

(a) That the account is of a "fairly successful first novel."

(b) That the total sales of this novel for Great Britain, Ireland and the whole of the Colonies is only just over 1000 copies.

(c) That of its total sales more than one-third went to the Colonies.

(d) That, even with the whole of Great Britain and Ireland, plus the whole of the Colonies, for a market, the production of this typical novel shows a loss of over £69.

(e) That the total cost to the publisher works out at over 3/11 per copy, without allowing anything for insurance, working expenses, overhead, the cost of the reader's fee, or supervision of its production by the publisher.

(f) That to produce extra copies would cost only 1/5 per copy. I think that is a little high, but is safe.

(g) It conclusively proves that Mr. Catts has little practical experience when he says "The setting of a book like that (a similar novel) is not a material thing at all." It is the biggest individual item in the cost.

(h) That, taking into consideration the increased cost of production in Australia, which has already been mentioned by the proposer of the duty, an edition of at least 3000 copies of a similar publication would be required before any profit could be made.

(i) That the difference in the cost of printing 1500 additional copies for Australia, and resetting and reprinting the job in Australia, would be at least £200, or 2/8 per copy extra expense.

I am sure that not only would a duty on books do great harm educationally to our country, but also that the duty would be ineffective, impracticable, unworkable and vexatious.

It would be ineffective, because reference to the figures already given proves that once the book is set up and all the incidental expenses paid, and the machine running, it costs only about 1/5 per copy to produce extra copies, and unless there was a duty of about 100 per cent. it is unlikely that publishers would reset the book in Australia and have the printing of a new edition done here.

It would be unworkable and vexatious, because a very large percentage of the books brought into Australia come in per medium of the Post Office.

The question has been asked once or twice about buying by the smaller newsagents and the booksellers. I might say that they are able to buy direct from the publishers, mainly because it is almost as cheap to get books out through the book post as to get them out in bulk. The bulk of the books imported into Australia, outside of the very large booksellers, come through the Post Office.

Q.—They are in a position to buy direct?—Yes, and at the same price.

Q.—Are they the same prices?—Practically all lines they are able to buy at the same prices.

By Mr. Kelly.—The same for a small lot as a big lot?—Yes, the price for fiction is an average price from the publishers at 3/3; it is the same whether you buy one or fifty copies. Of course, there are exceptions to the rule, but, speaking generally, the price is an average right through.

Q.—The selling price is fixed?—Yes.

Q.—He is getting an extra profit—that is, the direct indentor?—Yes, but in indenting direct he is running a greater risk of dead stock, which, you already know, is a very considerable item with the booksellers. I might say, with regard to the fixing of the prices, the prices are not fixed by the bookseller; they are fixed by the publishers in England.

Q.—You mean the minimum prices?—Yes.

Q.—But they can, and do, exceed that as a general rule?—Not as a general rule, because, as a matter of fact, the Association—I can tell you, perhaps, a good deal of that, because I was one of the parties to the agreement with regard to prices in Australia, which brought down the prices considerably—made one of the clauses that they are to be no higher, and certainly no lower.

Q.—I have noticed a little ring cut out very often when I have bought a book where the figure ought to be?—It is only the listed English publisher's price, and as a matter of fact the publishers frequently do that themselves.

Q.—I always take that as a polite intimation I am paying a good deal more than the figure originally printed here?—Yes, and in some cases less. In the case of all fiction you are paying less, because the price is 7/6 in England and 6/ in Australia, and in an increasing section of books the price now is the same in Australia as in England, and it is increasing every year.

In my own office I have a list of 350 different publishers in Great Britain and Ireland, and books have to be ordered by Australian booksellers from these publishers. The parcels from each are usually so small that the cheapest way to get them out is per medium of book post, which rate is a specially low one.

No doubt, members of the Board are already aware that there is no more vexatious and delaying process than to obtain articles through the Post Office which are dutiable. If a duty is placed upon any section of books, it will mean that the whole of the book importations will have to pass through the Customs officers for inspection. This will mean a tremendous amount of extra work for the Post Office and the Customs authorities as well as booksellers.

I think that is an important point, even if a small section of the whole of the books have to pass through the Customs officers for inspection.

Members of the Board are probably aware of the process which takes place with parcels coming through the Post Office. A postcard is sent by the postal authorities, advising the addressees that a parcel awaits them at the post office, Spencer street, and unless it is called for, opened for inspection, and the duty paid within a certain period, demurrage charges will accrue. The addressee has to attend the post office in person, or sign an authority for someone else to do so in his stead, and, speaking from personal experience, it is very seldom that even a small parcel can be obtained in this way in less than thirty minutes. Think, then, of the work this will entail, with dozens of parcels coming to each bookseller with each mail.

I might say that when I submitted this statement to my Executive they said sixty minutes would be nearer the mark in getting a parcel through the Post Office.

With regard to parcels arriving for country districts, if addressed to private individuals, the parcel is opened, the duty assessed, and the parcel forwarded to the nearest post office, and the addressee advised that on payment of so much duty the parcel will be delivered. But in the case of business houses in country districts the addressee is advised by postcard, which instructs the addressee to forward invoice and documents to Melbourne. The parcel is then opened, the duty assessed, and forwarded to the nearest post office, where, on payment of the duty, the parcel is delivered. This means a tremendous amount of extra work for the bookseller.

I would urge the Board to also obtain from the Postal and Customs authorities an estimate of the extra work this would add to their departments.

The exemptions which are proposed would also be unworkable. The members of the Board know that articles which are brought in free, or at reduced duties, under regulations prescribed by the Minister of Customs, come under very rigid rules and restrictions.

In the majority of cases the books which are bought by public libraries, mechanics' institutes, etc., are bought after inspection at the various bookshops.

I think the only exceptions are the large libraries, such as the Melbourne Public Library. This would now be impracticable, and libraries would have to buy in the dark and work from lists, a very severe handicap.

Let us, as an example, picture the process that would be required by a country mechanics' institute library after they had selected the books they required. In the first place, some form of application would have to be filled in, giving the list of the books the committee proposed to import. This would have to be sent to the Minister of Customs, who, in turn, would send the necessary authority.

Having obtained the authority, the order would then be passed on to the bookseller, who, although he might have many of the books on his shelf, would have paid a duty on these, and would therefore be unable to supply them at the price, minus the duty. The order would therefore have to be forwarded to 20 or 30 publishers in England for collection, and come out in 20 or 30 different parcels, unless a shipping agent was paid to collect them and ship them in one parcel from London, which, of course, would add additional cost. These books would be arriving in Australia at varying times, and the bookseller in the country would have to pay some Customs agent in Melbourne to have the entries put through and the necessary bond be given that they were being imported for this particular library under the regulations prescribed by the Minister of Customs. All this trouble for an order less than £10. As a matter of fact, orders from country libraries and country institutes usually average much below this. It is obvious that it would be just as cheap to pay the duty and save all this trouble and extra work, so that the proposed exemption would be unworkable as far as libraries and institutes are concerned.

Orders for schools and Universities would be even more complicated, because school teachers are never able to tell exactly how many scholars they will have in their form for the following year. The bookseller, therefore, would have to import a quantity and enter into a bond that these books would be sold only for educational purposes, and, if the usual process is adopted, would have to be able to show records to Customs officers proving when and where every copy was sold. The number of permits the Minister would have to consider would run into thousands each year, and the extra work of keeping all these records put upon booksellers would make the handling of this business altogether unprofitable unless much higher prices were charged.

It would also be unworkable, vexatious and impracticable, because, if any classification is made exempting certain books from duty, there would be continual queries and disputes as to which books came under the classification.

I do not know if Mr. Green and Mr. Ifould have yet presented the lists of classifications promised the Board, but, without having seen the list, I guarantee to produce authorities of equal standing who will disagree with it, so wide is the divergence of views of literary authorities.

Imagine, then, the confusion which would arise if any committee set out to classify the hundred thousand titles already published and listed (there are 340,000 different books listed in the current catalogue), to say nothing of the new titles coming forward at the rate of over a thousand per month, and the confusion would be multiplied by the fact that committees would have to be set up in each State, or there would be months' delay whilst Interstate queries were settled. We would have confusion worse confounded—and that in an industry so necessary to the development of our country on sound lines.

I have investigated the matter very thoroughly, and consider I am estimating on the safe side when I say that there are not two books out of every hundred that come under the category of the books which would be dutiable under the proposal that reach a sale of 3000 copies in Australia. Probably the number would not be one in a hundred.

But, in taking it for granted that one out of the hundred could be produced in Australia, we are overlooking the fact that books cannot be produced unless the rights to print have first been obtained from the author and publisher, and, before deciding to print an edition in Australia, or sell the right to print it, the author and publisher have to consider that in doing so they are materially increasing the cost of their own English edition.

The average novel that would have a sale of 3000 copies in Australia would warrant an edition of at least 7500 copies in England, and on the basis of the balance-sheet shown these would cost less than 2/ per copy. To reprint in Australia, or to sell the right to do so, would be increasing the cost of his edition from 6d. to 1/4 per copy. Is he likely, therefore, to do this other than on rare occasions?

As far as the question of the effect of the duty on our best literature is concerned, I think a good indication may be taken from the following:—

In the London "Observer" and the London "Sunday Times," Ralph Straus, J. G. Squire and Gerald Gould, three leading English critics, each gave a list of what they believed to be the best novels published in 1929. I have gone carefully through the lists, and do not believe there is one book in any of the lists which would have sold in sufficient quantity to warrant the publication of a separate edition in Australia, so that any duty on novels would be a definite tax on the best literature, without any corresponding gain.

I come, therefore, to the definite conclusion that even 50 per cent. protection would mean taxing at least 199 titles so that one might be produced in Australia, and the placing of a duty on even one book in two hundred would mean endless confusion, much extra work for booksellers, Postal and Customs authorities, and the gain to Australian publishing would be infinitesimal.

As a protectionist, I cannot see how such a duty could possibly be justified. It would do great harm to our country. I think that seldom has the Tariff Board had such an array of commercially distinterested yet talented men arraigned against any proposal.

I think, therefore, that the Board must agree that a duty on books of any kind is impracticable, unworkable, and also unnecessary.

You will notice that I have given you a list such as has been asked for several times of fiction that is used in school curriculum. That is by no means a complete list, but all the books I have mentioned have been authorised to be used in schools, colleges, etc. I have also attached a letter from Professor Taylor, of the University of Tasmania, where he gives some books also.

Some Novels Used in Schools, Colleges, etc.

Dickens—
Christmas Carol, Pickwick Papers, The Chimes, David Copperfield, Nicholas Nickleby, Tale of Two Cities, Great Expectations, Dombey and Son, Our Mutual Friend, American Notes and Pictures of Italy, Oliver Twist. Also any novel of.

Scott—
Ivanhoe, Quinton Durward, A Legend of Montrose, The Talisman. Also any novel of.

Kingsley—
Hereward the Wake, The Heroes, Water Babies. Also any novel of.

Stevenson—
Treasure Island, Kidnapped, The Master of Ballantrae, The Wrecker, Black Arrow.

Reade—
The Cloister and the Hearth, It's Never Too Late to Mend.

Blackmore—
Lorna Doone.

Kipling—
Puck of Pook's Hill, Jungle Book.

Gunn—
We of the Never-Never.

Boldrewood—
Robbery Under Arms.

Haggard—
Red Eve.

Goldsmith—
Vicar of Wakefield.

Austen—
Pride and Prejudice. Also any novel of.

Thackeray—
Esmond, The Newcombs, English Humorists, Vanity Fair. Also any novel of.

Eliot—
Silas Marner.

Gaskell—
Cransford.

Collins—
Moonstone.

Meredith—
Diana of the Crossways.

Borrow—
Lavengro.

Conan Doyle—
Micah Clarke, White Company.

Morris—
King of the Golden River.

Carroll—
Alice in Wonderland, Through the Looking Glass.

Pierre—
Paul and Virginia.

Defoe—
Robinson Crusoe.

Ballantyne—
Coral Island.

Barrie—
Peter Pan.

Dumas—
Les Deux Freres.

Palgrave—
The Golden Treasury.

Hardy—
Far From the Madding Crowd, The Dynasts, Under the Greenwood Tree. Also any novel of.

F. Tennyson Jesse—
Moonraker.

Winston Churchill—
The Crises, Richard Carvel.

Naomi Hutchinson—
The Conquered.

Benson—
By What Authority; Come Rack, Come Rope.

Swift—
Gulliver's Travels.

Fielding—
Tom Jones.

Smollett—
Humphrey Clinker.

In addition there are many hundreds of "Approved Readers" for primary schools, South Australian schools alone having over 500 on their list. (See also letter from Professor Taylor):—

The University of Tasmania,
April 10th, 1930.

Dear Mr. Thorpe,—

Mr. W. E. Fuller has asked me to supply you with a list of novelists whose books come within the scope of University education, as assistance to the case being prepared against the imposition of a tariff.

I take it that within this scope are included University Tutorial Classes and Public (School) Examination requirements.

Including all these classes, I submit the following list as authors whose works have been used, are used, and are likely to be used in the future for educational purposes:—

18th Century.—Richardson, Fielding, Smollett, Sterne, Goldsmith, Horace Walpole, Clara Reeve, Mrs. Radcliffe, Fanny Burney.

19th Century.—Walter Scott, Jane Austen, Maria Edgeworth, Dickens, Thackeray, Trollope, Meredith, the Kingsleys, the Brontes, D. Lytton, George Eliot, Mrs. Gaskell, Hardy, Stevenson, R. O. Blackmore, Shorthouse, Charlotte Yonge.

Modern.—Galsworthy, Arnold Bennett, H. G. Wells, Conan Doyle, Conrad, Sinclair Lewis, Hugh Walpole.

I also think that any book presented for University or school classes should automatically be freed from duty.

Yours truly,
(Signed) A. B. TAYLOR.
Professor of English.

There was one matter which was asked particularly in regard to the booksellers' wages costs of distribution, and it was mentioned that 15 per cent. was a high cost. Referring to Stanley Unwin's book, I notice that the publisher's expenses on wages and salaries are given at 10 per cent. on the total turnover, travelling and commission at 3.75 per cent.; reader's fees also, which would make the cost of the publisher's wages and salaries up to very nearly 15 per cent. also.

Q.—That would be very different to distribution, I should think?—That is their distribution; their work is distributing the book just the same.

Q.—The publishers, you mean?—Yes, they distribute to the bookseller.

Q.—What would the readers' fees be?—Nearly all the

publishers have professional readers, who read the manuscripts that come to them.

Q.—You would not have that in the distribution for the booksellers?—No, there are other things the publisher would have, and I was just showing that 15 per cent. was not a high figure. Then there was a question of books which have been printed here and have been reprinted abroad. I have been unable to find anybody who knows anything about it, or anything which would justify such a proceeding as is proposed. I do not think there has been any incident where that has reacted unfavourably on a local publisher, and I think somebody has just put it in, thinking that some good might accrue.

By Mr. Kelly.—On the assumption it looks better than a plain negative?—I have got some names here of School Readers, and I noticed amongst them Coral Island, Masterman Ready, Alice in Wonderland, Robinson Crusoe, Uncle Tom's Cabin, The Last of the Barons, Tom Brown's School Days, and under that classification it would mean those books are dutiable.

Q.—Undoubtedly; that is what they are claiming; they were very definite about that claim?—They gave no actual evidence on it—that it has worked any hardship in the past.

Q.—No, not that I can remember?—I can submit that list, and I could easily prepare a list of books that have been printed here.

Q.—We would like to have that?—I will supply it. On the question also of reprints I think there has been a great deal of confusion; and if you will refer to that balance-sheet I have shown you, you will find that there are certain figures brought out. You will find that there are certain expenses which occur when the edition is first printed. Take advertising, which is a very heavy expense comparatively to the publisher; but once the book is made known, then the cost of advertising is much smaller. You will notice in the balance-sheet of the typical first novel the advertising is put down at £55, whereas afterwards the average advertising cost is 6 per cent. In one case it is nearly 25 per cent. of the returns. Then, again, I do not think the books themselves can be compared—Dr. Crane's book and Seymour Hicks' book, for instance. I do not think the Australian edition can compare with the original edition. Not only that, but I think Mr. Robertson, who was in the witness box, had he wanted protection for those particular items, would have asked for it.

By the Chairman.—They were half the price?—Yes, but you get books that come out at less than half the price. You can buy "The Constant Nymph" for 7½d. here and 6d. in London; but there are 6/ editions also. It is all a matter of arrangement with the author and the quantity that is printed. It is not a matter that it is cheap here, but it is a matter of arrangement with the author and the publisher. All sorts of questions come into it.

(Witness withdrew.)

ERNEST JAMES GOSBELL.

Sworn and Examined.

By the Chairman.—In what capacity do you appear?—I am General Secretary in Victoria for the British and Foreign Bible Society in London. I also represent our Society in each of the other States of Australia. Our address is 241 Flinders lane, Melbourne.

Mr. Kelly.—I do not think it was intended to include Bibles as dutiable.

Mr. Berchdolt.—As a matter of fact, we asked the question of the applicants in Sydney, whether Bibles would be dutiable, and under his proposal they would be?—I wrote myself to the Secretary of the Printing and Allied Trades' Tariff Committee, and asked if they did intend to include Bibles, but I got no reply. I have prepared a statement, which is as follows:—

On behalf of the British and Foreign Bible Society, I desire to oppose the request for increased rates of duty on books. Under this heading is included the Bible, for the circulation of which our Society has been in existence for the past 126 years; and in order to make it available at the cheapest possible price sells it at less than cost. We submit the following reasons for our objection:—

1. That the right of printing the Bible is vested in the King's Printer and the Universities of Oxford and Cambridge. Consequently it is not permissible to undertake this work in Australia.
2. That even if authority were granted to print Bibles in Australia, the risk of misprints and errors, thereby degrading the work of the translators, would be very great if the work were left to a printer uncontrolled by any learned body, however excellent the printing may be from the purely technical point of view.
3. That the printing of the Bible was recognised to be of such paramount importance that 300 years ago King Henry VIII. conferred upon the University of Cambridge the privilege to safeguard, print and publish the Holy Scriptures.
4. That if it were possible to print the Bible in Australia the market would be a limited one, and this would of necessity mean an increase in the price of the books.
5. That in order to supply all the lines on our price-list the following varieties would be required:—
   - Authorised Version Bibles.—25 separate types; 226 varieties of binding.
   - Authorised Version New Testaments.—Nine separate types; 41 varieties of binding.
   - Authorised Version Portions of Scripture.—12 separate types; 26 varieties of binding.
   - Revised Version Bibles.—9 separate types; 42 varieties of binding.
   - Revised Version New Testament.—One type; five varieties of binding.
6. That we believe that many of the leather bindings on the volumes as now imported cannot be produced in Australia, and in those cases where this is possible the finish of the local binding, in most instances, would not be comparable to those editions which are now received from England.
7. That, as the greater part of our circulation of 226,744 copies of the Scriptures in the whole of the Commonwealth last year consisted of 42,235 school editions of Bibles and New Testaments, 138,768 portions of Scripture, leaving only 44,741 copies made up of 50 distinct editions in better bindings, it would not be a payable proposition to print these versions in such small quantities in Australia.

With reference to the publication of the Scriptures in other forms of speech, of which our Society issues these volumes in 622 different languages and dialects, and uses more than 60 distinct forms of characters in the printing of same, we claim that this work can be attended to more efficiently by our editorial staff in London, which is in touch with the best linguists in all parts of the world, and very often arranges for the printing to be done in the country where the particular language is spoken. The quantity of these Scriptures required in Australia is not sufficient to warrant the manufacture of the various forms of type which would be necessary, or the printing of such a limited number of copies. The total circulation of foreign Scriptures over the whole of Australia for 1929 was only 8395 copies. The specimens of script in the accompanying copy of "The Gospel in Many Tongues" will give an indication of the impracticability of the proposal to print these books in Australia. We trust, therefore, that the request now under consideration by the Tariff Board will not be granted, but that the existing conditions as regards Bibles being imported into the Commonwealth free of duty be continued.

GEORGE JERVIS MANTON.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—I am an importer and agent, representing various publishers scattered throughout the world. My address is 37 Swanston street, Melbourne. I have prepared a statement, which reads as follows:—

My business consists of supplying trade journals and technical books to manufacturers, wholesalers and retailers throughout Australia; manufacturers of men's, women's and children's clothing, of footwear, of motor car bodies and accessories, of furniture and furnishings; to architects, metal craftsmen, etc. In order to conserve the time of the Board I am summarising in my evidence information which I have prepared for the Board. That detailed information I am submitting in duplicate marked "Exhibit A."

Q.—These are explaining more what these journals actually are?—Precisely, and giving you the circulations—in some cases the definite circulations and in other cases the estimated circulations.

By Mr. Kelly.—This (indicating) indicates the exact particulars, so that when we are looking up any of these matters we can refer to this and get the exact circulation?—Yes.

Q.—This is not some of those magazines which were referred to as being issued by pattern-makers, I presume?—No, none of these. None of these has been touched on at all in any evidence. My statement continues:—

I am Australian agent for widely divergent trade magazines published in London, New York, Chicago, Boston, Paris, Vienna, Munich, Berlin, Madrid, etc. These magazines are issued to give information to manufacturers, wholesalers and retailers throughout the world (that is a point I would like to stress: these magazines are not national, they are international), to provide a medium for the exchange of information and ideas; to give buyers fullest information governing their buying operations, and help them to avoid mistakes and dead stock; to supply the latest information regarding advertising, selling, window dressing, shop fitting, planning, lighting and inventions, and to supply advance information regarding fashion, colour and design. I wish particularly to stress the point that the descriptions in many of these magazines are published in two or three languages, the descriptions in "Die Schuhmode" being given in four languages—German, French, English and Spanish. I have examples of that, which I will show you if I am asked to. In some cases I hold the sole agency for Australia, and all subscriptions are handled, or known, in my office. Consequently, I can speak with authority with regard to Australian circulations. Exhibit "B," submitted in duplicate, is a confidential list of some of the circulations which I can correctly give. That is on that further sheet. Exhibit "C," on the same sheet, submitted in duplicate, is a confidential list of shoe factories which are subscribing to "Crispin' (British-American edition). Exhibit "D," submitted in duplicate, is a confidential list of the shoe factories which subscribe to "Die Schuhmode." Exhibit "E," submitted in duplicate, is a confidential statement of payments made to "Le Grand Chic" Company, Vienna, for the year ending June, 1929, whose sole agency for Australia I hold.

I am submitting a number of specimen copies of various publications, and also a catalogue showing some of the publications I handle. Among these samples is "Creations de Paris," published by "Le Grand Chic" Company, Vienna, which is a high fashion journal. The largest circulation that any of these trade journals enjoys in Australia is 415 copies. Any or all of these trade journals can only be profitably published by having a world circulation, which is impossible from an Australian base. The suggestion that Customs duty should be put upon trade journals and technical books would, if carried, add to the cost of manufacturing goods in Australia, without appreciably increasing the revenue.

By taking a liberal but literal interpretation of item 339—

"Books or publications on the application of science to industries of all kinds"—

all of the publications which I handle would be admitted free of duty, under this heading, because they all deal with the application of science to industries.

Although, perhaps, not pertinent to this inquiry, I submit that the present duty of 10 per cent. on fashion journals published outside the British Empire should be removed for these reasons:—

(1) That the tax is not protective, because there is nothing to protect.
(2) That it is not revenue-producing, because the cost of collecting the tax is greater than the revenue produced.
(3) That it is a direct tax upon an important Australian industry that needs fostering, and is uneconomic, time-wasting, iniquitous and vexatious in operation.

By the Chairman.—Are there any magazines in Australia to come anywhere near these that you have?—No, it is not possible to produce them in Australia.

By Mr. Berchdolt.—Would you show me "Die Schuhmode"?—Yes. (Produced.) That is published four times yearly, and enjoys an international circulation, but necessarily small. "The Publisher and Bookseller' has a circulation in Australia of 117. It is issued under the general control of the Publishers' Association and the Associated Booksellers of Great Britain and Ireland.

Q.—These journals are what we get our new shoes from?—They are essential to shoe manufacturers, and the world does not know of these, because my bookselling friends here have not seen most of these, as they are not interested.

By Mr. Kelly.—These are really in connection with the raw material for the manufacturer?—That is for the man inside the factory. It contains technical articles on shoe production. There is only one competing journal in the world, and that also is published in Boston. It is called "American Shoe Making." So far as I know those are the only two publications in the world for the man inside the shoe factory.

By Mr. Berchdolt.—I would like to see those Paris creations?—This is one of them. (Produced.) That is one of the most beautiful things in the world of its kind. It is printed in Vienna—all the best fashion journals in the world are published in Vienna, despite evidence that may have been given to the contrary. This particular one is unique in its way, because it contains coloured reproductions of Parisian creations that have been made. (Supplies circulation confidentially.)

Q.—And the idea is that you get the fashions early by getting these books?—Yes. This (indicating), for instance, shows the possibilities for next spring, and Australian clothing manufacturers have already prepared some of their next spring samples from designs shown in this and similar works.

By Mr. Kelly.—You classify that as a fashion journal?—The Customs do.

Q.—You do, really?—Yes, it is a fashion journal, undoubtedly. The publishers boast of this (indicating), "The Leather Manufacturer," that it is the only monthly magazine in the world entirely devoted to the scientific production of leather. They may be right. I cannot contradict them, and I do not think anybody else can; but they say it is the only monthly journal in the world devoted entirely to the manufacture of leather.

Q.—You contend now that most of those are being read by various manufacturers—most of those go to manufacturers?—Not most of them; all of them. They are of no use to anybody else.

Q.—I mean all of them, in the sense that each one of those goes to the manufacturers. I did not mean all of

the leather went?—No, all of these (indicating). In fact, virtually everything that I handle.

Q.—Is this for the raw material manufacturer?—That is a list of footwear journals—entirely footwear. (Produced.) I can show you other samples here. People speak of advertisements, but this has neither advertisements nor description. It is only the shoe manufacturer who is interested in these, and it is only by getting these new world styles that he can produce.

Q.—You call them trade journals?—Yes, I call them trade journals. Printers are not immune; they like to get the world's opinion, too. I have in my information there quoted sundry trade journals, and this one (indicating "The Inland Printer") is the most popular of the trade journals of the printing trade.

Q.—What do you mean by immune—did you choose that word deliberately?—I do not know. What do you mean by deliberately?

Q.—You usually speak of immune from a tax?—I mean not immune, shall I say, from the advantages that other trades enjoy by participating in world knowledge?

By the Chairman.—I just want to be clear in regard to these exhibits. Exhibits "B," "C' and "D" and "E" are confidential?—Yes.

Q.—And "A" is not confidential?—No.

(See Exhibit "A" on following pages.)

The Witness.—When Mr. Dent, proprietor of "Everyman's" Library, was in Australia he was in my office one day, and I was showing him some of these things printed in America. He said, "Yes, they are very nice; we wish we could do them, but, you see, they have the population." These (indicating) are published in two parts each month. The publication of these things is impossible excepting from a world centre.

Q.—We might call for some of those later if we want them for reference; we will get in touch with you?—I shall be glad to let you have them.

EXHIBIT "A."

Information relating to a suggested Customs Duty on Books, Periodicals and Fashion Journals.

My business consists of supplying Trade Journals and Technical Books to manufacturers, wholesalers and retailers throughout Australia:—

Manufacturers of Women's Clothing, Men's Clothing and Children's Clothing,
Manufacturers of Women's Footwear, Men's Footwear and Children's Footwear,
Manufacturers of Motor Car Bodies and Accessories,
Manufacturers of Furniture and Furnishings,
Architects, Metal Craftsmen, etc.

I am Australian agent for such widely divergent trade magazines as are published by:—

Bell's Fashion Bureau Ltd., London.
Iliffe and Son Ltd., London.
Temple Press Ltd., London.
"Le Grand Chic" Publications, Vienna.
"La Chaussure Francaise," Paris.
"Tres Parisien" Series, Paris.
"Vienna Shoe Model Booklet," Vienna.
Illustrated Milliner Company, New York.
National Trade Press Ltd., London.
Fairchild Publications Ltd., London.
J. Whitaker and Son, London.
"Societe Graphique," Vienna.
"Parisian Shoe Fashion News Service."
"Chiffons," Paris.
"American Automobile," New York.
"Mitchell Fashion Company," New York, etc.

I have nothing for the wealthy or leisured class, nor have I anything for the domestic woman or householder, for the functions of trade journals are:—

To provide trade news to manufacturer, wholesaler and to retailer, and to report changes and tendencies.
To provide a medium for the exchange of information and ideas.
To supply information about goods bought and sold.
To give buyers fullest information governing their buying operations, helping them to avoid mistakes and dead stock.
To supply readers with information regarding the latest developments in advertising, selling, window-dressing, shop fitting, planning, lighting and inventions.
To supply advance information about fashion, colour and design.

In some cases I hold the sole agency for Australia, and all subscriptions are handled or known in my office.

"The Publisher and Bookseller" (sample shown) is a weekly publication issued under the joint control of the Publishers' Association and the Associated Booksellers of Great Britain and Ireland. The subscription is 12/6 yearly for 52 copies post free. The circulation in Australia is (?) copies weekly.

(The figures giving actual circulation were supplied confidentially to the Board.)

"Man—and His Clothes" (sample shown) is a monthly publication, of which the subscription price has just been raised from 5/ yearly to 7/6 yearly, for twelve copies, post free. "Man—and His Clothes" is a typical trade journal providing a medium for the exchange of information and ideas. The circulation of "Man—and His Clothes" in Australia is (?) copies monthly.

"Fairchild's International Magazine" is published monthly in Paris and London by the English branch of the Fairchild Company. It is printed in England, the subscription price is 10/ yearly, and the Australian circulation is (?) copies monthly.

"The Watchmaker, Jeweller, Silversmith and Optician" is a British monthly magazine, of which the subscription price is 7/6 yearly, including postage. This publication truly fills the description of a trade journal, for the editor is a recognised expert in the various branches of the trade. All news is given in a concise form, with knowledge of trade conditions and requirements. To this magazine I have eight subscribers, but other copies come into the country through other sources.

"The Dyer" is a semi-monthly publication, recognised as the authority on dyeing, calico printing, bleaching and finishing. It contains full and original information on all trade matters, pattern cards of new colouring matters or new shades, practical technical articles, and descriptions of new useful processes and machinery. The subscription price is 12/6 yearly, for 24 copies, post free. The circulation of this magazine in Australia would probably not exceed 50 copies.

"The Illustrated Milliner," published monthly in New York, is a typical example of a combination of trade journal and fashion journal. The January issue, which I am showing, contains:—

On page 3, an article entitled "High Lights of the Mode for February."
On page 9, "Paris Presents—for Spring and Summer."
On page 11, "London—Brimmed Hats are the Hats for Early Spring."
On page 17 is a directory of the season's favoured bodies.
Pages 23 and 24 contain measured drawings of four hat designs, specially drawn and measured to aid reproduction.
On page 32 is an article headed "The Newest in New York."
On page 52 is a modern millinery lesson, illustrated to aid local manufacture.

The circulation in Australia is (?) copies monthly, and, apart from the millinery manufacturers, there are many milliners with small businesses who regard the "Illustrated Milliner" as one of their chief sources of inspiration and help, and distinctly as one of their tools of trade. The subscription price is 42/ yearly.

"Crispin" is a "monthly practical magazine for expert shoe builders." Each number contains a technical article, which may prove valuable to the shoe factory, and any issue may contain information leading to decreased cost in manufacture. The circulation of "Crispin" in Australia is (?) copies monthly, and the subscription price, including postage, is 10/ yearly.

"American Shoemaking," published weekly in Boston, is the only other technical journal for shoe factories that I know. Each copy contains a technical article on factory production. The subscription price is $5 yearly for 52 copies, including foreign postage. The circulation in Australia is (?) copies weekly, all of which go to Australian shoe factories.

"Die Schuhmode," published four times yearly in Munich, Germany, shows, as the title suggests, shoe fashions. The descriptions of the models shown are printed in four languages—German, French, English and Spanish. The subscription is 25/ yearly, and the circulation in Australia is (?) copies.

"The Leather Manufacturer" is a monthly magazine, of which the publishers boast that it is "the only journal in the world devoted exclusively to the science of manufacturing leather." The subscription is $2 yearly, and it circulates wholly and solely among tanners, and is technical in every sense of the word.

"The American Automobile" is published monthly in New York; the subscription price is $2 yearly. The sample shown (March, 1930, issue) is largely statistical, containing the 1930 World Motor Census. The circulation in Australia is (?) copies monthly.

"Motor Vehicle Monthly," published in Philadelphia, price $3 yearly, is a trade journal devoted specially to motor body construction, painting and trimming. It is supplied to practically all the motor body builders, painters and finishers in Australia.

"Automobile Engineer," published monthly in London, is a technical journal "devoted to the theory and practice of automobile and aircraft production." So technical is this publication that it is beyond the comprehension of the average skilled mechanic, needing a University training to appreciate the value of the technical articles. The subscription is 30/10 for 13 issues, and the circulation in Australia is probably less than 100 copies.

"Automotive Industries" is published weekly in Philadelphia, and the publishers will only supply copies to those who are actually engaged in the manufacturing branch of the business, executives or engineers. Business card or letterhead must accompany each order, otherwise the remittance is returned.

"Motor World Wholesale" is a weekly magazine entirely devoted to the interests of the wholesalers of motor cars. The publishers will not supply "Motor World Wholesale" to a garage or to a motor car retailer. (Letter from the publishers exhibited.)

"American Printer." This is a monthly magazine issued in New York. It contains the latest advices regarding printing machinery, printing office management; shows examples of good printing and bad printing, with constructive criticisms. The circulation in Australia probably does not exceed 50 copies.

"British Printer" is, as the name implies, a British publication. It is issued bi-monthly. It covers, more or less, the same ground as the "American Printer," but has a greater proportion of news items from the Eastern centre of civilisation. The subscription price is 15/ yearly, and the subscription list is very small.

"Inland Printer," published monthly in Chicago (sample shown), is the most popular, and probably the best, trade journal of the printing trade. I have two subscribers, but there are other sources of supply, among them being Messrs. Alex. Cowan and Sons, paper warehousemen, who encourage their customers to purchase the "Inland Printer," so that their (the printers') knowledge of the printing art may be enlarged and improved.

"Gebrauchs-Graphik" ("International Advertising Art") is issued monthly in Germany, the leading article being printed in two languages—German and English. As the sub-title suggests, it contains good examples of international advertising art, with a critical commentary in two languages. The subscription is 45/ yearly.

Other trade journals that are used by printers and advertisers include:—"Der Offset Buch" (German), "Printers' Ink" (American), "Advertisers' Weekly" (British), "Printers' Ink Monthly" (American), "Advertising Display" (British), "Advertising World" (British), "Printed Salesmanship" (American), "Western Advertising" (American), and it has been facetiously said that the "Saturday Evening Post" is the "Australian Advertising Man's Bible."

"Les Creations Parisiennes" is a monthly fashion journal, which shows reproductions of many exclusive Parisian model frocks. The subscription price is £2/5/ yearly, and (?) copies is the total circulation in Australia. Descriptions of the models are printed in French and English.

"Le Tailleur Pratique," published six times yearly, is considered by Australian order-tailors as the best publication of its kind in the world. It is published six times yearly—three issues for summer and three for winter. The subscription price is 35/ yearly, and there are (?) copies of each issue sold in Australia. It is published by Bell's Fashion Bureau, London, and printed for them in Paris. From "Le Tailleur Pratique" the order-tailor can give his customers an idea of the current styles of fashion's decree. Descriptions of the models are printed in French and English.

"Creations de Paris," published quarterly in Vienna, is one of the most beautiful fashion publications in the world. It contains exclusive designs of the latest styles of women's dress from the various fashion centres of Europe. Such styles are invaluable to dressmakers and women's wear manufacturers in Australia. Of this publication (?) copies of each issue are imported. The subscription price is £3/10/ yearly.

A lithographer informs me that in one design in this book ten colours are used, and throughout the publication probably twenty or more colours are used, so that if the suggested duty became operative it would mean a duty of twenty times 25 per cent., in addition to the suggested duty of 65 per cent.

"Creations de Haute Coutre" is published four times yearly. Each issue contains 30 hand-coloured designs of ladies' fashions suitable for making up into ladies' clothing in Australia. The subscription price is 50/ yearly for four numbers, and (?) copies are circulated in Australia.

"Chiffons" is a fashion journal published monthly in Paris, price 5 francs, of which the circulation in Australia is probably less than 100 copies.

In quoting the above specific examples of trade journals I have selected a wide variety to show the Tariff Board how impossible it would be to have the above or similar publications printed in Australia, because of the small circulation. Any or all of the foregoing trade journals can only be profitably published by having a world circulation, which is impos-

sible from an Australian base. The suggestion that a Customs duty should be put upon trade journals and technical books would, if carried out, merely add to the cost of goods manufactured in Australia, without appreciably increasing the revenue. On the other hand, taking a liberal but literal interpretation of Item 339—"Books or publications on the application of science to industries of all kinds"—all of the publications aforementioned would be admitted free of Customs duty under this heading.

At present fashion journals published outside the British Empire are subject to a duty of 10 per cent., but I ask that this be removed because:—

1. The tax is not protective, for no competing journals are published in Australia or within the British Empire.
2. It is not revenue-producing, because the cost of operation is, I am sure, greater than the revenue produced.
3. It is a direct tax upon an important Australian industry, because these trade fashion journals are essential to Australian dressmakers and clothing manufacturers, and are regarded in the light of "Tools of Trade."

In operation this tax is uneconomic, iniquitous and vexatious. Particularly does this apply to Sydney, where the officials are hampered by lack of working room and the public is exasperated by the time lost in waiting.

May I quote a specific example? When a copy of "Chiffons" arrives from Paris it is separated from other second-class mail matter by postal officials and handed to a Customs officer. A card is then written and sent to the addressee, which advises that a dutiable parcel is lying at the Post Office and must be called for and examined. This, although the contents of the parcel is clearly marked on the wrapper.

Addressee presents the notification card at the counter, where another card is written and handed to a postal official, who searches for and finds the parcel, which is then handed to the Customs officer, who calls addressee by name and waits gravely while the parcel is opened for inspection.

As shown on the wrapper, the parcel is found to contain a copy of "Chiffons," and on every copy of "Chiffons" the price, 5 francs, is printed. Duty is assessed on the retail price at 1d. Addressee signs the card as having taken delivery, pays 1d. duty, two tram fares, and has wasted the best part of half a day.

I am citing "Chiffons" as an example, but might quote many other fashion journals on which the duty ranges from 1d. to 1/. The routine is the same, and I claim that the duty is:—

1. Not protective, because there is nothing to protect.
2. Not revenue-producing, because the cost of operation is greater than the revenue produced.
3. That it is a direct tax upon an important Australian industry that needs fostering.
4. That it is uneconomic, time-wasting, iniquitous and vexatious in operation.

(Witness withdrew.)

HEINRICH MATHIAS MARCARD.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—I am the Deputy Director of Marcard, Lund and Co. Ltd., 360 Post Office place, Melbourne.

Q.—What is the business of Marcard, Lund and Co.?—We represent S. A. Chic Parisien, Vienna, the publishers of fashion journals, fashion publications. I have prepared a statement, which reads as follows:—

We only handle the Fashion Journals of S. A. Chic Parisien, Vienna, which are sold to the manufacturing trade, principally clothing and mantle manufacturers, millinery, factories, manufacturing furriers, underclothing manufacturers, knitting mills, and, to a less degree, to shoe factories.

We contend that there are no journals being published in Australia suitable for these manufacturing trades; neither would it be possible to have our books printed in Australia, because, apart from the technical difficulties, the large range required, and the relatively small numbers of each, the industries mentioned must have the advance styles from London, Paris and Vienna, so as to prepare their sample ranges at least six months ahead of the seasons.

These imported books are not only invaluable for their suggestions and creative ideas for designs, but also advise the trade of the types, colours and nature of materials, for which they must also make their dispositions at least a season in advance.

Such service could not be offered if the books were printed in Australia.

It is therefore apparent that any additional duty on books of this character would not benefit the applicants, but would only represent an extra overhead charge to be borne by the secondary industries, for whom the books are of paramount value in their endeavours to compete against foreign models, imported garments and other manufactured apparel.

We do not supply paper patterns with our journals; only a few of the books have cutting charts enclosed. Neither, however, is of any interest to the trade, and we submit that the class of fashion books described by us as for trade purposes imported without paper patterns should receive separate consideration from, say, other classes of books which may be reviewed under Item 335. and we propose that the present rate of duty be maintained at least for trade fashion journals, or, alternatively, that same be admitted under Item 404.

Q.—You are back on 404 now?—I did that as an afterthought. I do not know whether they are material in the manufacture, or whether they can be there.

By Mr. Berchdolt.—You claim they are material to manufacture?—They are material to manufacture, but the article is material in manufacture. I do not know how that could be regarded.

By the Chairman.—The rest of your evidence is endorsing the evidence already submitted by Mr. Manton in regard to fashion journals?—It seems to coincide. I have brought a sample of a book, just to show that it is really only for the ideas. That is all they can get from them.

Q.—Is that printed in Paris?—Vienna. The ideas come from London and Paris, of course, but the studios are in Vienna.

By Mr. Kelly.—You claim that nothing produced locally could replace those?—No, it is quite impossible.

Q.—Do you have a copyright for those?—I do not know how the copyright matter stands at all in regard to fashion books. We have nothing to do with it.

Q.—The suggestion has been put up that certain local productions reproduce whatever is useful in these publications. If you found local productions reproducing these, could you in any way restrict them?—I have no knowledge on that matter at all.

Q.—But you know, generally speaking, whether your stuff is reproduced?—You mean in manufacture?

Q.—No?—To copy it again for printing?

Q.—Yes, copy it again for printing? You know that the local fashions——?—Yes.

Q.—Do they reproduce your illustrations?—I could not say.

Q.—You are not interested?—I could not say whether they copy the exact ones. It would be hard to memorise them. These are only three out of thirty-five journals.

The Chairman.—Do you know, Mr. Manton, whether you can stop them?

Mr. Manton.—It would be permissible for a periodical to reproduce one or two of those, with acknowledgments, but if they did reproduce them wholesale I would take out a warrant to restrain them. I do not know how the law of copyright operates, but certainly one would not be permitted to reproduce those things in Australia, even if they were able to.

The Chairman.—Do you know if it is taking place at the present time?

Mr. Manton.—Yes, it is, more or less. For instance, in our daily papers you see a little sketch produced in Melbourne, but it is reproduced from a design that has been shown elsewhere.

Mr. Berchdolt.—Do the local manufacturers who publish fashion books in Australia get these books as quickly as your clients?

Mr. Manton.—The local manufacturer who produces fashion journals in Australia does not know of these things. He has not heard about them. He gets what I would call a domestic fashion journal. I do not cater for the domestic or the wholesale in any way. These are for the professional trade.

Mr. Berchdolt.—And the local manufacturer probably copies McCall's or Butterick's?

Mr. Manton.—The local fashion journals cater for the domestic trade, which is quite distinct from the professional.

Mr. Kelly (to witness).—Can these be distinguished in any way? Do you call yours fashion or trade journals?—Fashion.

Q.—So that the term "fashion" covers a domestic fashion journal as well as this?—Well, the correct interpretation would be a trade journal, because it is partly a trade journal. For instance, the Shoe book is distinctly a trade journal.

Q.—The mere fact of you yourself having used the words "fashion journal" indicates that it is pretty much a fashion journal too?—They come under the tariff as fashion journals. That is why I have done nothing in regard to Item 404, because it is both free and 10 per cent.

(Witness withdrew.)

The Chairman.—Is there anyone else present desirous of giving evidence?

ARTHUR GERALD BYRNE.

Sworn and Examined.

By the Chairman.—In what capacity are you appearing?—As Secretary of the Authorised Newsagents' Association of Victoria, 37 Swanston street, Melbourne. Bowing to the expressed wishes of your Board, I have not touched books at all. If you desire to ask me any questions in regard to books, as you have indicated in previous evidence, I will be able to supply the information; but in order not to cover ground that has already been covered, I have just taken the distribution of the periodicals. Our Association is a body of newsagents, having certain rights for delivery and distribution of daily newspapers. The Association is governed by a set of rules, a copy of which I produce. The membership of the Association is voluntary; its numbers are approximately 190 in the metropolitan area and 300 in the country districts. There are approximately 2000 newsagents in Victoria. Though our members number only 490, they are, however, responsible for distribution of at least 75 per cent. of total circulation of the daily newspapers and the smaller class of periodicals. The Association considers that a tax on periodicals, papers, and magazines would so materially affect the circulation that it would necessitate the dismissal of numbers of employees in the trade, without any chance of increasing employment in any other avenue. Nearly every newsagent employs one or two assistants, and if the circulation of the English papers went down considerably it would necessitate at least the dismissal of one of those assistants, because it takes practically one assistant in a

big newsagent's to attend to the outside distribution of these publications.

Q.—You do not anticipate that there would be Australian magazines to take their place?—No. The reason why there would not be any Australian magazines to take their place is that my experience, which goes over a period of thirty years in the distribution of newspapers and journals, has proved that the only way in which the English journals can maintain their circulation is by a rapid change in their titles and in their various characters and make-up.

Q.—Now you are speaking of the cheaper and more popular type?—Yes, of the more popular type.

Q.—The very opposite is true in regard to the more serious?—Yes, the "Nineteenth Century" and such publications would never change, perhaps, in 50 or 60 years.

By Mr. Berchdolt.—The more saleable lines?—Well, as far as our business is concerned, there are exceptions, such as "Tit Bits" and those publications. The average life of those, I should say, would not be more than five years. They come in with a rush and go out just as quickly. Then they change the type and change the title, and they come in with a rush again and immediately boost the circulation up to what it was, perhaps, five years before, and we consider that no publication in Australia could maintain its circulation in that way. It would be unprofitable. There is only one publication of Australian production that we are handling which has, comparatively speaking, proved successful, and has held its circulation for a number of years, and that is the "Woman's Mirror," published by the Bulletin Company in Sydney. That has been fairly successful all the time it has been in existence, and has lasted longer, comparatively speaking, than any other Australian publication of the cheaper type.

By Mr. Berchdolt.—That is a comparatively new paper, too, is it not?—It has been in existence for about five years now. Illustrating how that operates, you can take the journal that was published by the "Herald"—a boy's book called "Pals." The first two or three years of that publication they maintained a fairly big circulation, but they dropped considerably in the succeeding years, until where we had been handling 100 copies a week we were only handling about five, and consequently they went out. That is our experience practically of all the cheaper publications, even overseas.

Q.—You must have novelty?—Yes, and they must have change all the time.

By the Chairman.—We had evidence that there was quite a number of Australian magazines for which there was a very big sale?—There is a certain type of magazine in Victoria which has a big sale. I would say that the two magazines which have the biggest sale are the "Woman's Mirror"—a small weekly publication—and the "Australian Journal"—which is published monthly—but they only appeal to a certain type of reader, and you could not compare them as filling a national want in regard to magazines. I doubt whether any of you gentlemen would have the "Australian Journal" in your homes, but still it has a very large circulation. As I say, it does appeal to a certain type of reader.

The circulation of these magazines, etc., which are about 80 per cent. British, is brought about by the great number of different papers which they would handle. This parcel (indicating) is published by Messrs. Gordon and Gotch, and it is for sale every Tuesday. It comprises all sorts of small journals and comics, boys' and girls' papers and ladies' papers, and one agent, who is handling 2000 of these a week finds that there are 80 different books included in that 2000. Then I take another case, where approximately 1000 papers a week were sold. I found that this agent was doing 60 different titles in his 1000 papers. It just shows you the very small circulation of each particular one, which, in the aggregate, of course, makes a fair circulation, but would almost make it an impracticability of them being published here at any

profit at all. Any duty on them would, of course, materially affect them, because they are low-priced, and the duty on them would immediately increase the price to the extent that it would practically put them right out of court altogether.

Several attempts have been made with Australian magazines and journals, and some of these are enjoying a good circulation, because they fill a need in some directions, but their success has not in any way reduced the numbers of English papers which, by their large variety, hold their circulation. The "Woman's Mirror" may overlap, perhaps, half-a-dozen small English journals, but it has never made any difference to the English journals that have come in, because it filled just a local need; but it would not be continued for a very long period unless they kept applying themselves to local conditions all the time.

My Association had a meeting about this matter, and passed a resolution that they would like the stereo blocks of various publications to be forwarded here and the issue printed here, but, of course, everyone knows that is almost an impracticability, because the cost of producing the stereo, shipping it here, and paying the duty would be more than any cost there would be on the small publication. However, it is a resolution of the Association, and I have been compelled to put it in as evidence, though I do not believe myself it is at all practicable. I have put these few statements before you because we are the ones who do the distributing. There is no other body that does the distributing in such a way as we do.

By the Chairman.—Are the selling prices fixed for all these magazines?—We have an indication of what the selling prices should be. Of course, the newsagents have been fighting the selling prices of the English magazines, because we consider we do not get anything like the margin of profit that we should get, considering the risks we take. For instance, taking the 1/3 or 1/4 magazines, for which we pay 11/ and 12/ per dozen, and on which we have to take the risk of return—we have no return on them—we obtain 3d. on our outlay of 1/, and we have always considered that that is not a sufficient item of profit for us to work on.

Q.—Who fixes those selling prices?—The publishers, I should say. We have an indication from Messrs. Gordon and Gotch as to what the prices are that they desire us to sell at, and we have always contended that those prices do not allow us a sufficient margin of profit.

Q.—Would you have many remainders?—Our men have learned to be very wise, and they do not take the risk on remainders now, but we do have occasionally a number of remainders, especially of the 1/3 monthly journals, such as "London," "Royal," "Windsor," and so on. If you take any risk at all on those, you are likely to get hit pretty heavily.

Q.—I bought four comics at the station last night, and they were all old ones?—That proves there have been remainders.

Q.—It proves that they get rid of their remainders, I think?—If they get rid of remainders they have had to reduce their ordinary circulation. Mention was made about the individual importing of books of fiction by our members. Most of our members who are importing fiction are doing it with one particular object, and that is to be at least two or three weeks ahead of the ordinary sale for the introduction of new books into their libraries. Competition in other lines of our trade has become so keen that most of our men now have established big libraries. Some suburban libraries have from 3000 to 5000 volumes, and in order to be two or three weeks ahead of the general sale of this fiction they have been compelled to buy overseas themselves. I notice that the average list of publishers that our men are dealing with is about 37. Of course, as has been mentioned, there are 300 or 400 publishers, but the most popular ones amount to 37. We are only interested in the popular works. If there is a book listed, and we do not know the author, and are not sure of the title, we leave that to the wholesaler to bear the brunt. We do not bother ordering that; we only order on the popular titles.

By Mr. Berchdolt.—You let them do the spadework?—They take the risk.

(Witness withdrew.)

The Chairman.—Is there anybody else present desirous of submitting evidence? (No response.) I declare the inquiry closed.

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